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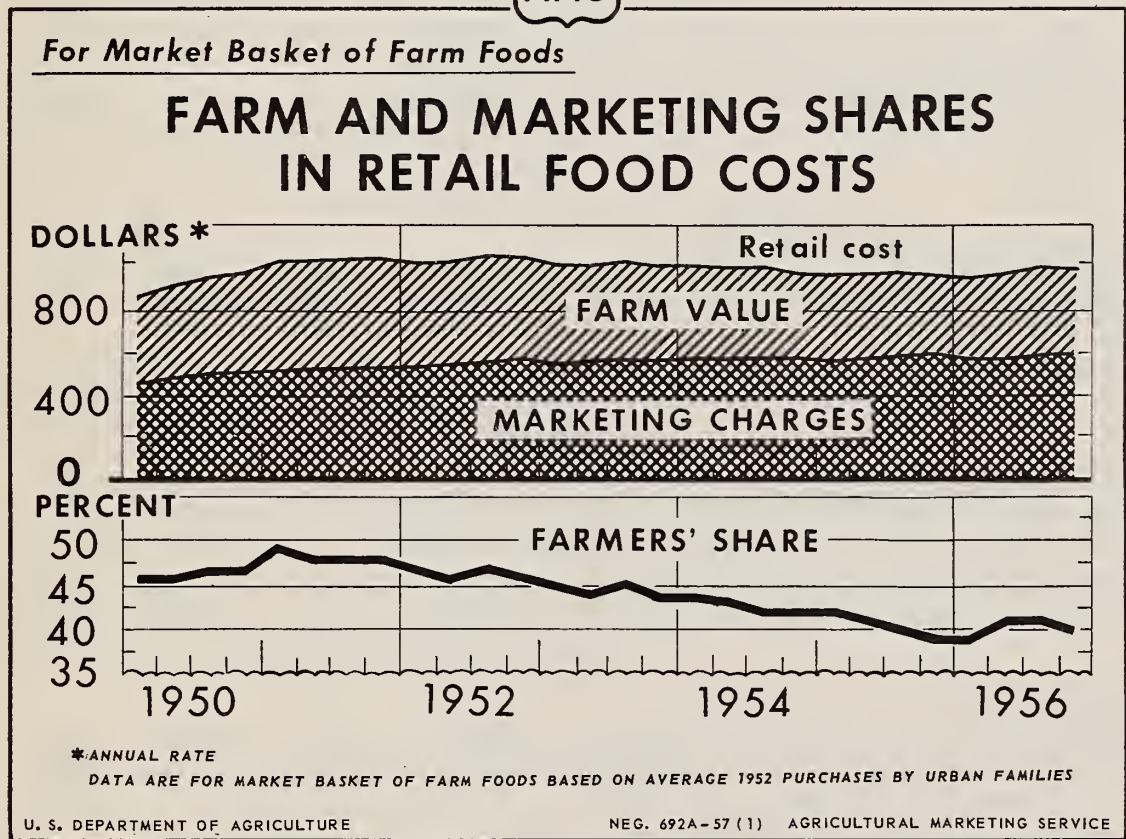
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1957

The MARKETING and TRANSPORTATION SITUATION

MTS - 124

In this issue:
Marketing margins for Beef, Pork,
Dairy Products, Eggs, Poultry,
Fruits and Vegetables



Retail cost of the market basket of farm-produced food products rose during much of 1956. The fourth quarter average was 2 percent higher than in 1955 and 1 percent higher than in 1954. The farm value, or payment farmers received for the farm products equivalent to these foods, likewise increased during much of 1956, but in the fourth quarter it was still 3 percent less than in the same period of 1954. Charges for processing and dis-

tributing these foods were 4 percent higher in the final quarter of 1956 than they were 2 years earlier. This increase more than offset the effect of the lower farm value on the retail cost.

The retail cost in the fourth quarter of 1956 was \$68 less than its record level in the third quarter of 1952. The farm value was down about \$102 but marketing charges were up \$34.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

STATISTICAL SUMMARY OF MARKET INFORMATION

Item	Unit or base period	1955		1956		
		Year	Oct.-Dec.	Apr.-June	July-Sept.	Oct.-Dec.
<u>Farm-to-retail price spreads</u>						
Farm-food market basket: 1/						
Retail cost	Dol.	975	966	972	996	987
Farm value	Dol.	396	373	394	404	393
Marketing margin	Dol.	579	593	578	592	594
Farmer's share of retail cost	Pct.	41	39	41	41	40
Cotton: 2/						
Retail cost	Dol.	54.95	55.29	55.75	56.32	---
Farm value	Dol.	7.06	7.02	7.06	7.03	---
Marketing margin	Dol.	47.89	48.27	48.69	49.29	---
Farmer's share of retail cost	Pct.	13	12	13	13	---
Tobacco: 3/						
Retail cost	Dol.	3.38	---	---	---	---
Farm value	Dol.	.53	---	---	---	---
Federal and State excise taxes	Dol.	1.34	---	---	---	---
Marketing margin excluding excise taxes	Dol.	1.51	---	---	---	---
Farmer's share of retail cost	Pct.	16	---	---	---	---
<u>General economic indicators</u>						
Consumers' per capita income and expenditures: 4/						
Disposable personal income	Dol.	1,638	1,673	1,698	1,710	---
Expenditures for goods and services	Dol.	1,537	1,559	1,572	1,583	---
Expenditures for food	Dol.	406	412	417	421	---
Expenditures for food as percentage of disposable income	Pct.	25	25	25	25	---
		1955		1956		
		Year	Nov.	Sept.	Oct.	Nov.
Hourly earnings per employed factory worker 5/ ...	Dol.	1.88	1.93	2.00	2.02	2.03
Hourly earnings of food marketing employees 6/ ...	Dol.	1.73	1.77	1.82	1.83	1.86
Retail sales: 7/						
Food stores	Mil. dol.	3,635	3,728	3,918	3,915	3,925
Apparel stores	Mil. dol.	894	916	977	982	1,004
Manufacturers' inventories: 7/						
Food and beverage	Mil. dol.	4,424	4,450	4,713	4,696	4,786
Textile	Mil. dol.	2,405	2,426	2,599	2,611	2,599
Tobacco	Mil. dol.	1,820	1,779	1,838	1,812	1,842
Indexes of industrial production: 8/						
Food and beverage manufactures	1947-49=100:	109	112	114	114	113
Textiles and apparel	do.	109	113	108	111	107
Tobacco manufactures	do.	105	104	103	106	---
Index of physical volume of farm marketings	do.	115	157	144	177	158
<u>Price indexes</u>						
Consumer price index 5/	1947-49=100:	114	115	117	118	118
Wholesale prices of food 5/	do.	101	99	103	102	102
Wholesale prices of cotton goods 5/	do.	91	93	92	93	93
Wholesale prices of woolen and worsted goods 5/ ..	do.	105	103	104	105	106
Prices received by farmers 9/	do.	87	83	87	86	86
Prices paid by farmers 9/	do.	109	108	111	110	111

1/ Average quantities of farm food products purchased per wage-earner and clerical-worker family in 1952.

2/ 42 cotton articles of clothing and housefurnishings, weighted by average annual quantities bought by wage earners and clerical workers as reported in 1934-36 survey. Data are for last month of quarter. 3/ 4 tobacco products from 1 pound of leaf tobacco (farm-sales weight), weighted by leaf equivalent of tax-paid withdrawals. Preliminary data for the fiscal year beginning July 1955. 4/ Seasonally adjusted annual rates, calculated from Dept. of Commerce data. 5/ Dept. of Labor. 6/ Weighted composite earnings in food processing, wholesale trade, retail food stores, calculated from data of Dept. of Labor. 7/ Seasonally adjusted, Dept. of Commerce. Annual data for 1955 are on an average monthly basis. 8/ Seasonally adjusted, Board of Governors of Federal Reserve System. 9/ Converted from 1910-14 base.

THE MARKETING AND TRANSPORTATION SITUATION

Approved by the Outlook and Situation Board January 23, 1957

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FARM-RETAIL PRICE SPREADS FOR FARM FOOD PRODUCTS

Highlights

Food marketing charges averaged about 1 percent higher in 1956 than in 1955. In recent years, charges for processing and distributing a "market basket" of farm-produced food products have increased 1 or 2 percent each year. Further small increases seem likely during the coming year.

Retail prices of farm food products averaged about the same in 1956 as in 1955. The slight increase in marketing charges was matched by a slight decline in prices received by farmers for food products. Farmers' prices of food products in the second half of 1956, however, averaged 4 percent higher than in the second half of 1955.

Most operating costs of food marketing firms were higher in 1956 than in the previous year. Hourly earnings of food marketing employees averaged about 5 percent higher. Increased output per man-hour probably offset some but not all this rise. Prices of equipment, supplies, and other things marketing firms buy rose in 1956. These prices are likely to average higher this year. Further increases in hourly earnings also are probable.

General increases in freight rates of railroads, trucks, and other transportation agencies took place in 1956, as well as increases in railroad refrigeration charges. Railroads are requesting further increases in freight rates from the Interstate Commerce Commission.

Available data indicate that profits of food-marketing firms were higher in the first 9 months of 1956 than in the same period of 1955. Data for all of 1956 will not be available until later this year. Total profits and profit rates were generally a little higher in 1955 than in the preceding year.

Farm Value Turns Up in 1956

The level of prices farmers received for food products advanced from February to August of last year, after declining much of the time since 1951 (see cover chart). Part of this increase was lost during the late summer and fall, but the level in the fourth quarter as measured by the farm value of the "market basket" was 5 percent higher than in the same period of 1955 (table 24, p. 50). 1/ The farm value for 1956 as a whole averaged \$390 (annual rate) compared with \$396 in 1955 (table 1). The annual average was less in 1956 than in 1955 because of lower averages for the meat products and poultry and eggs groups (table 2).

Small Increase in Marketing Charges

Unit charges for processing and distributing farm food products averaged about 1 percent higher in 1956 than in the previous year. The total marketing margin for the foods in the market basket increased from an average annual rate of \$579 in 1955 to \$586 in 1956. 2/ The annual average has increased each year since 1950. The 1956 increase above 1955, however, was smaller than any since 1950 except that of 1953 which it equaled.

Marketing margins generally declined in the first half of 1956. Some decreases probably represented adjustments of retail prices to earlier decreases in farm prices, and others were seasonal. Margins increased in the third and fourth quarters. The fourth quarter average was about the same as the average in October-December 1955 (table 25, p. 51).

1/ The "market basket" contains the average quantities of farm-produced food products purchased for consumption at home by urban wage-earner and clerical-worker families in 1952. The retail cost of all foods bought per family is more than the retail cost of the "market basket" of farm foods, which does not include imported foods, fishery products, and other foods of nonfarm origin, or costs of meals purchased in public eating places. Additional information concerning the contents of the market basket and methods of estimating market-basket data was given in the Supplement to the July-Sept. 1953 issue of The Marketing and Transportation Situation. "Farm value" is the payment farmers received for the farm products equivalent to the foods in the market basket.

2/ The marketing margin is the difference between the retail price paid by the consumer and the payment to the farmer for equivalent farm products. It is an estimate of the charges made by marketing agencies for assembling, processing, transporting, and distributing the farm products.

Table 1.- The farm food market basket: Retail cost, farm value, marketing margin, and farmer's share of retail cost, 1947-56

Year and month	Retail cost 1/	Farm value 2/	Marketing margin	Farmer's share
	Dollars	Dollars	Dollars	Percent
1935-39 average ...:	3/	3/	3/	40
1947	932	471	461	51
1948	994	498	496	50
1949	939	435	504	46
1947-49 average ...:	955	468	487	49
1950	924	432	492	47
1951	1,026	495	531	48
1952	1,035	482	553	47
1953	1,010	450	560	45
1954	993	425	568	43
1955	975	396	579	41
1956 4/	976	390	586	40
<u>1955</u> :				
Jan.:	968	410	558	42
Feb.:	976	409	567	42
Mar.:	977	412	565	42
Apr.:	980	413	567	42
May:	975	400	575	41
June:	978	401	577	41
July:	984	395	589	40
Aug.:	978	390	588	40
Sept.:	984	397	587	40
Oct.:	977	383	594	39
Nov.:	962	371	591	39
Dec.:	960	366	594	38
<u>1956</u> :				
Jan.:	951	369	582	39
Feb.:	946	366	580	39
Mar.:	949	374	575	39
Apr.:	956	382	574	40
May:	968	396	572	41
June:	991	405	586	41
July:	1,005	409	596	41
Aug.:	991	403	588	41
Sept.:	991	400	591	40
Oct.:	991	397	594	40
Nov.:	984	390	594	40

1/ Retail cost of average quantities of farm foods purchased per urban wage-earner and clerical worker family in 1952, calculated from retail prices collected by the Bur. of Labor Statistics.

2/ Payment to farmers for equivalent quantities of farm produce minus imputed value of byproducts obtained in processing.

3/ Comparable dollar figures not available. The farmer's share and index numbers of the retail cost, farm value, and marketing margin for the years 1913-55 were published in the Apr. 1956 issue of this Situation.

4/ Preliminary.

Current data are given in the Statistical Summary, :
a monthly publication of the Agricultural Marketing Service.:

Table 2.- The market basket of farm food products: Annual average retail cost, farm value, marketing margin, and farmer's share, 1955 and 1956

Commodity	12-month	12-month	Change -	
	average	average	1956 from 1955	
	1955	1956	Actual	Percentage
	Dollars	Dollars	Dollars	Percent
Retail cost				
Market basket	974.94	975.87	+ 0.93	<u>1/</u>
Meat products	246.42	237.65	- 8.77	- 4
Dairy products	181.26	185.51	+ 4.25	+ 2
Poultry and eggs	104.88	99.29	- 5.59	- 5
Bakery and cereal products ..	150.00	150.72	+ .72	<u>1/</u>
All fruits and vegetables ...	208.18	217.69	+ 9.51	+ 5
Fats and oils	42.86	43.42	+ .56	+ 1
Miscellaneous products	41.34	41.59	+ .25	+ 1
Farm value				
Market basket	395.52	390.25	- 5.27	- 1
Meat products	132.23	124.63	- 7.60	- 6
Dairy products	83.00	85.50	+ 2.50	+ 3
Poultry and eggs	68.88	61.81	- 7.07	- 10
Bakery and cereal products ..	30.96	30.84	- .12	<u>1/</u>
All fruits and vegetables ...	60.70	66.08	+ 5.38	+ 9
Fats and oils	12.89	14.49	+ 1.60	+ 12
Miscellaneous products	6.86	6.90	+ .04	+ 1
Marketing margin				
Market basket	579.42	585.62	+ 6.20	+ 1
Meat products	114.19	113.02	- 1.17	- 1
Dairy products	98.26	100.01	+ 1.75	+ 2
Poultry and eggs	36.00	37.48	+ 1.48	+ 4
Bakery and cereal products ..	119.04	119.88	+ .84	+ 1
All fruits and vegetables ...	147.48	151.61	+ 4.13	+ 3
Fats and oils	29.97	28.93	- 1.04	- 3
Miscellaneous products	34.48	34.69	+ .21	+ 1
Farmer's share of retail cost				
	Percent	Percent	Percent	
Market basket	41	40	- 1	
Meat products	54	52	- 2	
Dairy products	46	46	0	
Poultry and eggs	66	62	- 4	
Bakery and cereal products ..	21	20	- 1	
All fruits and vegetables ...	29	30	+ 1	
Fats and oils	30	33	+ 3	
Miscellaneous products	17	17	0	

1/ Less than 0.5 percent.

Operating costs of firms that market farm products probably increased in 1956, mainly because of higher wage and transportation rates. Average hourly earnings of employees in food marketing enterprises were about 5 percent higher in 1956 than in 1955. Railroads, trucking firms, and other freight carriers regulated by the Interstate Commerce Commission raised their freight rates during the spring of 1956. Increases in railroad freight rates for agricultural products averaged approximately 5 percent. Late in 1956, the ICC authorized railroads in the East and West to raise their freight rates by 7 and 5 percent, respectively. The ICC also approved increases in charges for railroad refrigeration services and increases in railway express rates in 1956.

Costs of packaging materials, containers, fuel, machinery, motor vehicles, and other items bought by marketing firms were more expensive. Marketing firms may have been able to offset, to some extent, the effect on their costs of increases in wage rates and prices, by developing methods for increased output per man-hour and adopting new practices for efficient management. But it is likely that their costs per unit of output have increased.

Total profits after taxes of firms manufacturing food products were larger and profit rates per dollar of sales were higher in the first three quarters of 1956 than in the same period of 1955, according to estimates of the Federal Trade Commission and Securities and Exchange Commission. Similar estimates for the fourth quarter are not available.

Marketing charges probably will rise a little further this year, because of further increased costs of performing marketing operations. The upward trend in wage rates probably will continue. Railroads in the South have asked the ICC for a 7 percent freight-rate increase, and those in the East and West have sought a further boost of 15 percent. Prices for supplies, equipment, and other items bought by marketing firms probably will continue to rise.

Retail Cost Varies With Farm Value During 1956

The 1956 retail cost of the market basket was \$976 (average annual rate) scarcely changed from 1955. Except for 1955, it was the lowest since 1950 and was 6 percent less than the record annual average in 1952. The retail cost, like the farm value, declined in the first quarter, rose in the second and third quarters, and decreased in the fourth. The average for the final quarter was 2 percent higher than a year earlier.

Farmer's Share Smaller in 1956

Farmers received approximately 40 cents of the consumer's dollar spent in 1956 for farm-produced foods, compared with 41 cents in 1955. 3/

3/ Estimates of the division of retail cost between farmers and marketing agencies are based on concurrent prices at the farm and retail levels, except for processed fruits and vegetables, and sugar. During a period of rising prices, the farmer's share calculated on this basis is somewhat larger than the share derived by comparing prices received by farmers for particular lots of products with prices paid by consumers for the same lots after they have moved through the marketing system. The reverse is true in periods of declining prices.

The decrease was the smallest in the annual average farmer's share since 1952. The fourth quarter share was 40 cents, 1 cent more than in the final quarter of 1955.

Changes in Annual Averages, 1955 to 1956, by Commodity Groups

Meat Products.— The farm value of this product group declined 6 percent between 1955 and 1956 (table 2). This decrease was fully reflected in the retail cost as the marketing margin decreased slightly. The farmer's share of the retail meat cost, however, was a little less in 1956 than in the previous year, because of lower average prices at both farm and retail levels. (For a discussion of changes in marketing margins for beef and pork, see pp. 9-15.)

Poultry and Eggs.— The farm value of this group was down 10 percent in 1956. The retail cost was down only 5 percent, which resulted in a widening of the marketing margin. Farmers received 62 percent of the retail cost in 1956 compared with 66 percent in 1955. (Further information is given on pp. 16-29.)

Dairy Products.- The farm value, marketing margin, and retail cost increased 2 to 3 percent. The farmer's share was about the same in 1956 as in 1955. (Marketing costs and margins for individual dairy products are considered on pp. 30-37.)

Bakery and Cereal Products.— The marketing margin increased 1 percent from 1955 to 1956, continuing the steady increase since World War II. Part of the increase from 1955 to 1956 was offset by a slight reduction in the farm value. The retail cost did not change significantly from 1955 to 1956 but the farmer's share declined from 21 to 20 cents. The retail price, farm value, and marketing margin of bread averaged higher in 1956 than in 1955.

Fruits and Vegetables.- The retail cost, marketing margin, farm value, and the farmer's share were all up in 1956. (See pp. 38-45 for further information regarding prices, and marketing costs and margins.)

Fats and Oils.- The farm value of this group averaged 12 percent higher in 1956 than in the preceding year. Marketing charges were down 3 percent, so the rise in farm value was not wholly reflected in retail cost. Farm prices of both cottonseed and soybeans were higher in 1956. The farmer's share was 3 cents larger than in 1955.

REVISED MARKET BASKET DATA

Revised 1955 data, by quarters, for the farm food market basket are given in table 27, pages 53 and 54.

MARKETING MARGINS FOR BEEF AND PORK 1/

: Prices livestock producers received for beef cattle and :
: hogs decreased sharply during 1955 and marketing margins :
: for beef and pork rose substantially. 2/ During the first :
: three quarters of 1956, prices received by producers :
: recovered much of what they lost the year before and mar- :
: keting charges declined. Prices of beef cattle declined in :
: the final quarter of 1956 but the average was considerably :
: higher than for the last quarter of 1955. Marketing margins :
: for beef cattle and beef rose as producer prices fell. The :
: fourth quarter average was about the same in 1956 as in :
: 1955. Prices producers received for hogs held up well in :
: the final quarter of 1956 and marketing margins did not :
: increase significantly. :

Beef

The annual average marketing margin for U. S. Choice grade beef changed little -- from 25.5 cents per retail pound in 1955 to 25.9 cents in 1956 (table 3), or the equivalent of about 19 cents per 100 pounds live weight basis. This was the smallest year-to-year increase recorded in the post-World War II period, during which margins increased in every year except 1949 and 1954.

Marketing margins for Choice grade beef rose steadily throughout 1955 to 27.3 cents in the fourth quarter. They dropped slightly in the first quarter of 1956 and continued to decrease in the second and third quarters. In the fourth quarter the average margin rose to 27.6 cents (preliminary estimate) -- about the same level as in the fourth quarter of 1955 -- and the average retail price reached the highest level during the last 2 years.

1/ Prepared by Victor B. Phillips, Agricultural Economist, Market. Res. Div., Agr. Market. Serv.

2/ The marketing margin is the difference between the price per pound the consumer pays for beef or pork at retail and the farm value or payment the farmer receives for an equivalent quantity of live animal. It is a return to marketing agencies for the distributing and processing services that are required to move live animals from the farm and to convert them to meat in the consumer's hands.

Table 3.- Beef (U. S. Choice grade): Retail price per pound, farm value, marketing margin, and farmer's share of the retail price, by quarters, 1955-56

Period	Retail price:	Net farm value ^{1/}	Marketing margin ^{2/}	Farmer's share
	Cents	Cents	Cents	Percent
1955				
Jan.-Mar.:	69.7	47.3	22.4	68
Apr.-June:	67.8	42.3	25.5	62
July-Sept.:	67.2	41.0	26.2	61
Oct.-Dec.:	66.1	38.3	27.8	58
Average:	67.7	42.2	25.5	62
1956				
Jan.-Mar.:	62.1	34.7	27.4	56
Apr.-June:	62.6	36.8	25.8	59
July-Sept.:	68.5	45.5	23.0	66
Oct.-Dec. ^{3/} ..:	70.9	43.3	27.6	61
Average ^{3/} ..:	66.0	40.1	25.9	61

^{1/} Gross farm value of 2.16 pounds of Choice grade cattle less byproduct allowance. 2.16 pounds of Choice grade cattle yields 1 pound of beef at retail.

^{2/} The marketing margin is the difference between the retail price paid by the consumer and the farm value.

^{3/} Preliminary.

Trends in packer and retailer margins, the components of the marketing margin (fig. 1), were roughly parallel during 1955, when both increased sharply, but diverged in 1956. ^{3/} Retailer margins averaged about the same in 1956 as in 1955 while packer margins increased. Reduced retailer margins through September were primarily responsible for the continuous narrowing in overall marketing margins during the first three quarters of 1956.

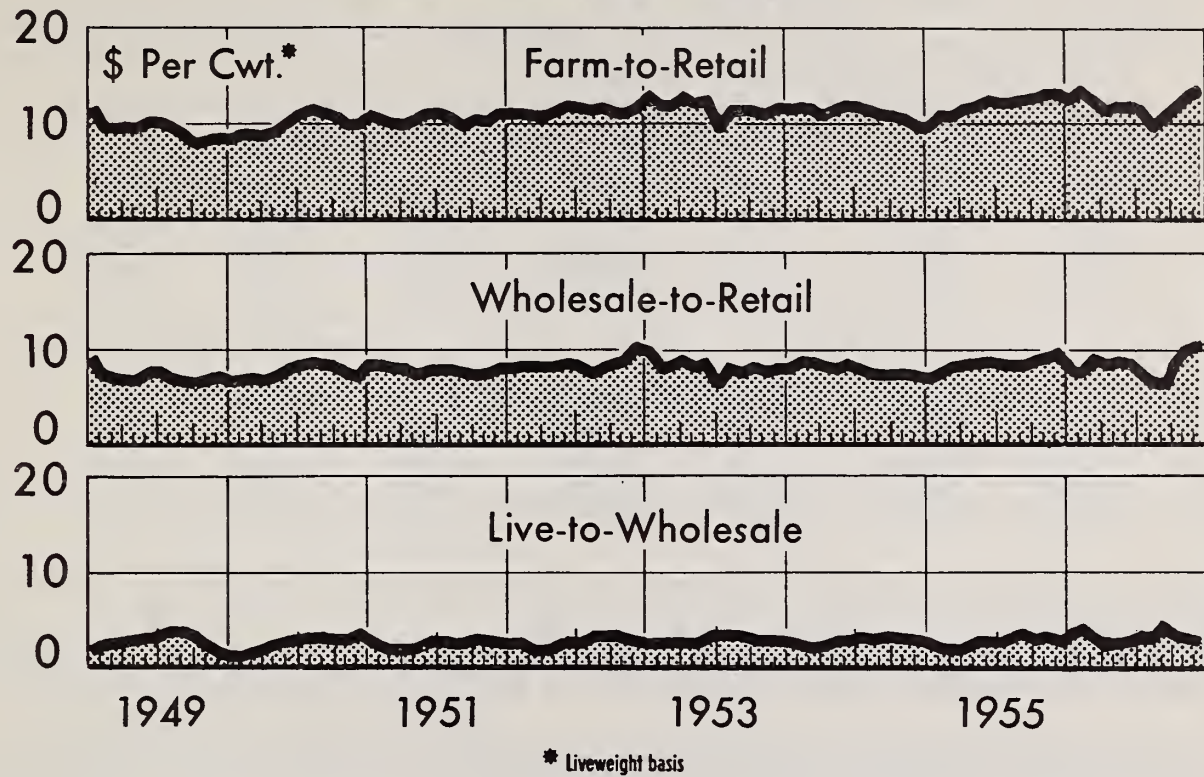
Packer margins rose rapidly during the first three quarters of 1955 (table 4). They rose to a record level of \$3.38 per 100 pounds live weight in the first quarter of 1956 and declined substantially to \$2.49 in the second quarter, then increased to a record \$3.59 in the third quarter followed by a drop in the fourth quarter.

^{3/} The packer margin, more specifically the live-to-wholesale margin, is the difference between the average public stockyard price per 100 pounds for Choice grade steers and the average value of 59 pounds of carcass beef plus the byproducts (heart, liver, tallow, hide, etc.).

The retailer margin, more specifically the wholesale-to-retail marketing margin, is the difference between the average wholesale carcass price per 100 pounds of U. S. Choice grade beef and the value of 80 pounds of retail cuts. This margin covers the services retailers provide in fabricating carcasses into smaller cuts suitable for retail trade.

U.S. Choice Grade Steers and Beef

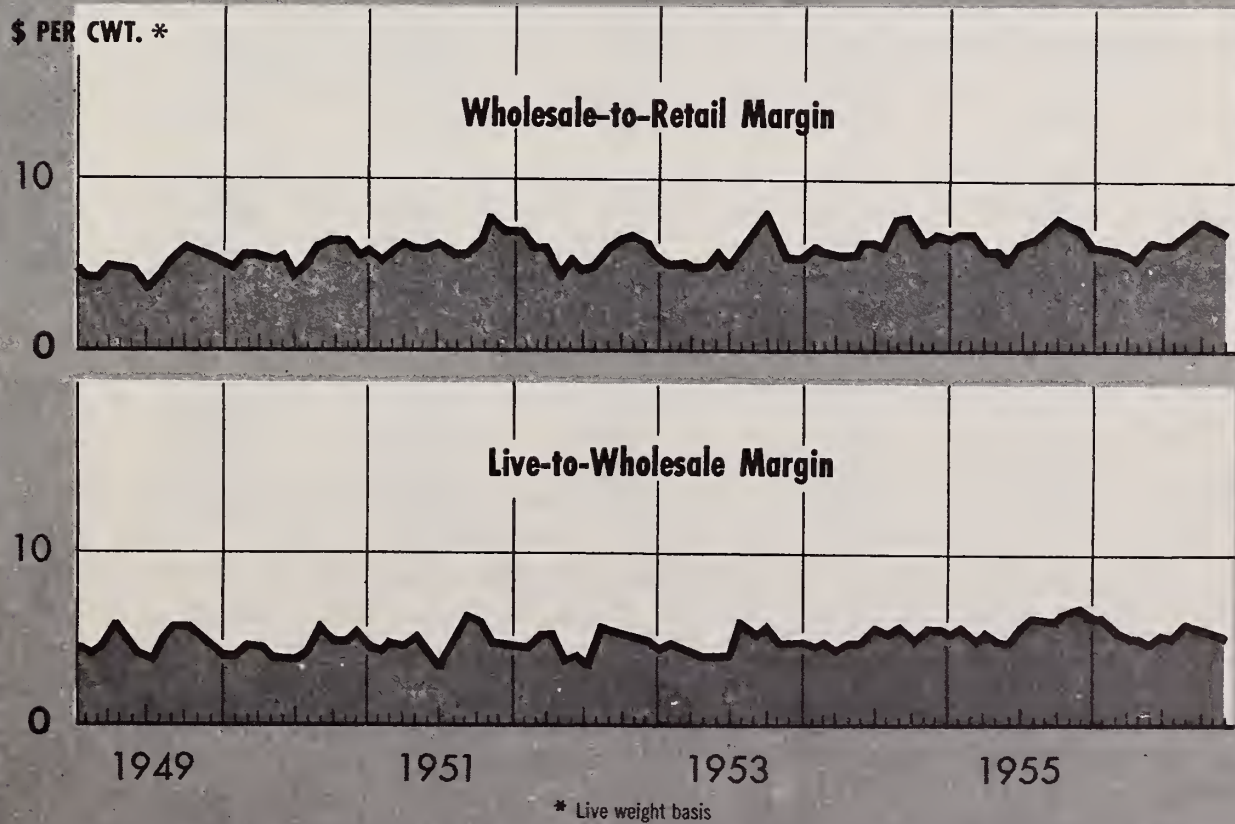
MARKETING MARGINS



AMS NEG. 3067-57 (1)

Figure 1

MARKETING MARGINS FOR HOGS AND PORK



AMS NEG. 4038-57 (1)

Figure 2

Table 4.- Beef (Choice grade): Live-to-wholesale and wholesale-to-retail margins, by quarters, 1955-56 ^{1/}

Quarter	Live-to-wholesale (per 100 pounds live weight)				Wholesale-to-retail (per 100 pounds carcass weight)			
	Price of steers ^{2/}	Wholesale value			Margin	Wholesale price ^{4/}	Retail value ^{5/}	Margin
		Carcass ^{3/}	Byproducts	Total				
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1955								
Jan.-Mar.	25.13	25.07	1.95	27.02	1.89	42.49	55.76	13.27
Apr.-June	23.02	23.39	1.92	25.31	2.29	39.65	54.24	14.59
July-Sept.	22.33	23.38	2.01	25.39	3.06	39.63	53.76	14.13
Oct.-Dec.	20.90	21.87	2.00	23.87	2.97	37.07	52.88	15.81
Average	22.84	23.43	1.97	25.40	2.56	39.71	54.16	14.45
1956								
Jan.-Mar.	19.47	21.02	1.83	22.85	3.38	35.62	49.68	14.06
Apr.-June	20.30	20.79	2.00	22.79	2.49	35.24	^{6/} 50.05	^{6/} 14.81
July-Sept.	23.76	25.21	2.14	27.35	3.59	42.73	54.80	12.07
Oct.-Dec. ^{7/} ..	22.67	23.70	2.06	25.80	3.13	40.24	56.69	16.45
Average ^{7/} ..	21.55	22.68	2.01	24.70	3.15	38.46	52.80	14.34

^{1/} Quarterly data for 1949-54 are published in "Beef Marketing Margins and Costs," U. S. Dept. Agr. Misc. Pub. 710, Feb. 1956, tables 1 and 3.

^{2/} Weighted average of price at 21 leading public stockyards.

^{3/} Wholesale carcass value is 59 percent of average wholesale price of 100 pounds of Choice grade carcass beef.

^{4/} Weighted average of prices of Choice grade carcass beef in New York, Chicago, Los Angeles, San Francisco, and Seattle.

^{5/} Calculated from average retail prices of beef cuts in urban areas, published by Bur. of Labor Statistics. The retail value per 100 pounds carcass weight is 80 percent of average retail cost of 100 pounds of retail cuts, because about 20 pounds of a 100-pound carcass is fat, bone, and trim which is sold by retailers at nominal prices.

^{6/} Revised.

^{7/} Preliminary.

Table 5.- Pork: Live-to-wholesale and wholesale-to-retail margins, by quarters, 1955-56 ^{1/}

Quarter	Live-to-wholesale (per 100 pounds live weight)			Wholesale-to-retail (per 100 pounds major cuts)		
	Price of hogs ^{2/}	Wholesale value ^{3/}	Margin	Wholesale value ^{4/}	Retail value ^{5/}	Margin
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1955						
Jan.-Mar.	17.18	22.37	5.19	41.23	^{6/} 55.22	^{6/} 13.99
Apr.-June	18.60	23.39	4.79	43.86	^{6/} 55.44	^{6/} 11.58
July-Sept.	16.94	23.04	6.10	43.42	57.17	13.75
Oct.-Dec.	12.93	19.52	6.59	35.71	^{6/} 51.33	^{6/} 15.62
Average	16.41	22.08	5.67	41.06	54.79	13.73
1956						
Jan.-Mar.	12.82	18.74	5.92	34.19	47.18	12.99
Apr.-June	16.42	21.31	4.89	39.13	51.62	12.49
July-Sept.	16.77	22.22	5.45	41.09	^{6/} 54.92	^{6/} 13.83
Oct.-Dec. ^{7/} ..	16.12	21.49	5.37	38.66	54.11	15.45
Average ^{7/} ..	15.53	20.94	5.41	38.27	51.96	13.69

^{1/} Quarterly data for 1949-54 are published in "Pork Marketing Margins and Costs," U. S. Dept. Agr. Misc. Pub. 711, Apr. 1956, tables 1 and 2.

^{2/} Average price of 200-220 pound barrows and gilts, Chicago.

^{3/} Wholesale value at Chicago of 71 pounds of pork and lard obtained from 100 pounds of live hog.

^{4/} Wholesale value of 100 pounds of major pork cuts at Chicago computed from Livestock Market News and National Provisioner price quotations of individual cuts.

^{5/} Calculated from average retail prices of major pork cuts in urban areas, published by Bur. of Labor Statistics.

^{6/} Revised.

^{7/} Preliminary.

Trends in retailer margins in 1956 were similar to those in 1955 (table 2). They widened appreciably during the first two quarters of 1955, dropped slightly in the third, but widened to \$15.81 per 100 pounds carcass weight in the fourth quarter -- the highest quarterly average since 1948. These margins declined rather sharply from the fourth quarter of 1955 to the first quarter of 1956, after which they rose slightly but again declined sharply in the third quarter. The third quarter average of \$12.07 was the lowest since early 1950 but the fourth quarter average rose to a new record of \$16.45. Generally, retail price changes lag behind price changes at the wholesale and farm levels. This accounted for the sharp changes in the retailer margin in the second half of 1956.

In contrast with the pattern of change in margins, the farm value of Choice grade beef dropped steadily throughout 1955 (table 3). ^{4/} It continued to drop during the first 2 months of 1956, reaching a low point of 33.7 cents per retail pound in February. The farm value rose steadily in the second and third quarters, increasing sharply in the third. Although it declined steadily during the fourth quarter, the average then was 13 percent higher than a year earlier.

The farmer's share of the consumer's dollar spent for Choice grade beef followed the same pattern as the farm value in 1955 and 1956. The fourth quarter average in 1956 was 61 percent, 3 percentage points higher than in the same period for 1955.

The farm value of beef is determined by prices farmers receive for live animals. Live animal prices and wholesale and retail prices of meat are influenced by supply factors as well as consumption and demand. Large and increasing supplies of beef and other meats were mainly responsible for the reductions in farm values, wholesale values, and retail prices of Choice grade beef during 1955 and in the first quarter of 1956. An exceptionally large number of steers were carried over from late 1955 and marketed in early 1956. Increases in prices and farm values during the third quarter of 1956 reflected reduced supplies of fed cattle compared with 1955. Sharply increasing marketings of fed cattle plus heavy marketings of other cattle caused a downward trend in prices of beef cattle in the final quarter of 1956.

During 1955 prices received by farmers for Choice grade cattle dropped faster than wholesale values and retail prices of Choice grade beef, resulting in a widening of margins. The reversal of these price movements during the first three quarters of 1956 caused margins to decline.

Pork

Marketing margins for pork (excluding lard) averaged slightly lower in 1956 than in 1955, dropping 0.9 cent from the record annual average attained in 1955 (table 6). After increasing through the last three quarters of 1955, the margin dropped sharply to a low point of 20.3 cents per retail pound in May. Thereafter, the margin rose and, as in 1955, averaged higher in the second half of the year than in the first half. The relatively small decrease from 1955 to 1956 resulted from slight decreases in both packer and retailer margins.

^{4/} The farm value is the payment farmers receive for the quantity of live steer equivalent to 1 pound of Choice grade beef in the retail store. It is the price per pound received by farmers calculated on a retail-weight basis.

Table 6.- Pork: Retail price per pound, farm value, marketing margin, and farmer's share of retail price, by quarters, 1955-56

Period	Retail price	Net farm value ^{1/}	Marketing margin ^{2/}	Farmer's share
	Cents	Cents	Cents	Percent
1955				
Jan.-Mar.	49.5	26.6	22.9	54
Apr.-June	49.7	27.9	21.8	56
July-Sept.	51.4	26.5	24.9	52
Oct.-Dec.	46.1	20.3	25.8	44
Average	49.2	25.3	23.9	51
1956				
Jan.-Mar.	42.1	19.1	23.0	45
Apr.-June	46.3	24.8	21.5	54
July-Sept.	49.4	25.9	23.5	52
Oct.-Dec. ^{3/}	48.9	25.0	23.9	51
Average ^{3/}	46.7	23.7	23.0	51

^{1/} Gross farm value of 1.82 pounds of live hog less allowance for lard and inedible byproducts.

^{2/} Difference between retail price and net farm value.

^{3/} Preliminary.

During 1955 and most of 1956 the pattern of change in packer margins was similar to that in retailer margins (fig. 2). Therefore, changes in these component margins were similar in most respects to changes in the overall farm-retail margin. ^{5/} They dropped in the second quarter of 1955, rose in the third and fourth quarters of that year; dropped again in the first and second quarters of 1956, and then turned upward in the third quarter. In the final quarter of 1956 the packer margin declined a little, but the retailer margin increased rather sharply (table 3).

Packer margins peaked in the October-December 1955 period at \$6.59 per 100 pounds live weight. They declined to \$4.89 in the second quarter of 1956, but rose in the third quarter. The fourth quarter average of \$5.37 per 100 pounds live weight was \$1.22 less than the average for the same period of 1955.

^{5/} The packer margin, specifically the live-to-wholesale margin for pork, is the difference between live weight prices of hogs per 100 pounds and the wholesale value of 47 pounds of major fresh and cured cuts which include hams, loins, picnics, butts, and spare ribs, about 9 pounds of minor edible products, such as neck bones, trimmings, fat, head meat, heart, and liver, and 15 pounds of lard. These quantities are approximate yields of wholesale products from 100 pounds of live hog.

The retailer margin, more specifically the wholesale-to-retail margin, is the difference between the average retail value of 100 pounds of fresh and cured pork products and the wholesale value of an equivalent quantity.

The October-December 1955 peak in retailer margins for pork was \$15.62 per 100 pounds. The margins declined to \$12.49 in the second quarter of 1956. By the fourth quarter, however, they had risen to an average of \$15.45, slightly below the average for the same period in 1955.

The annual average retail price, wholesale value, and farm value of pork and pork products averaged slightly lower in 1956 than in 1955. These prices and values all tended to move in the same direction through this 2-year period. They all dropped sharply through the fall and winter of 1955 and then rose in the first half of 1956. During the second half, they remained relatively stable.

Marked increases in pork prices at all levels of the trade in the second quarter of 1956 resulted from earlier than normal seasonal reductions in hog slaughter. Hog slaughter normally drops to its lowest level in July or August. In 1956, however, hog slaughter dropped rapidly after March and reached its lowest level in June and July.

The higher levels in farm value, wholesale value, and in retail price last fall compared with the same period in 1955 reflected smaller marketings. The spring pig crop for 1956 was 8 percent less than a year ago. Since almost all this reduction in farrowing was in the latter part of the spring season, the reduction did not affect the monthly rate of hog slaughter until November. Hog slaughter for the months of November and December 1956 was about 14 percent less than for the same period a year earlier. To a large extent, this reduction in hog slaughter and a decrease of 37 million pounds in carryover of pork in cold storage November 1 accounted for the higher levels in the farm value, wholesale value, and retail price in the fourth quarter of 1956 than in the same period of 1955. Production of pork was about 3 percent greater in 1956 than in 1955.

The farmer's share of the consumer's dollar spent for pork products was 51 percent in 1956, the same as in 1955, and 10 percentage points less than that for 1954. The farmer's share generally has been larger for beef than for pork. Marketing margins per pound usually have been about the same for both, but the farm value generally has been higher for beef than for pork, particularly in recent years. These relationships between marketing margins and farm values mainly account for differences in the farmer's share.

MARKETING MARGINS FOR POULTRY AND EGGS IN
THE UNITED STATES AND SELECTED CITIES 1/

:
: Farm-retail marketing margins for eggs have declined about :
: 7 percent since 1949, while margins on frying chickens have :
: increased about 13 percent in the same period. Eggs are the :
: only major agricultural commodity for which margins have de- :
: creased in this 8-year period. Improvements in marketing :
: methods and changes in location of the industry may be the :
: important factors underlying the nearly continuous decline :
: in egg margins. But margins on frying chickens have in- :
: creased in spite of marked improvements in marketing and :
: processing techniques mainly because of higher labor costs :
: and other costs. Part of this increase is due to more :
: services provided by marketing firms. :
:
: Changes in margins from month-to-month within single years :
: generally have exceeded year-to-year changes. Short-time :
: lags in price adjustments and seasonal factors account for :
: most of these monthly variations. Short-term price changes :
: are determined largely by variations in market supplies. :
: This article describes recent changes in United States :
: average prices and marketing margins for frying chickens and :
: eggs, and compares prices and margins for these products :
: and turkeys in several large cities. :
:

Farm-retail marketing margins on eggs were lower in 1956 than in any year since 1949 while margins on frying chickens reached an 8-year high. Both trends have been gradual and the changes in margins in cents per dozen and per pound have not been large. The principal conditions underlying the trend of declining egg marketing margins appear to be improvements in handling and distributing methods, shortening of marketing channels and shifts in egg production into areas nearer large cities. On the other hand, it appears that the marked improvements in processing and distributing methods made by poultry slaughterers and other firms have not been sufficient to offset higher labor rates and other costs, including costs of additional marketing services provided by the industry.

Retail egg prices and farm values averaged slightly lower in 1956 than in 1955 (table 7). The farm-retail margin on eggs also was lower so that the farm share of the retail price remained unchanged at 69 percent.

1/ Prepared by Leo R. Gray, Agricultural Economist, Market. Res. Div., Agr. Market. Serv.

Table 7.- Frying chickens and eggs: Retail price, farm value, marketing margin, and farmer's share of the retail price, United States urban areas, 1949-56

Year	Chickens (broilers and fryers)				Eggs			
	Retail:	Farm	Market-	Farmer's	Retail:	Farm	Market-	Farmer's
	price	value	ing	share	price	value	ing	share
	per	2/	margin	share	per	3/	margin	share
	pound	1/	:	:	dozen	1/	:	:
	Cents	Cents	Cents	Percent	Cents	Cents	Cents	Percent
1949 4/	51.6	33.3	18.3	65	65.9	46.8	19.1	71
1950 ...	50.4	32.8	17.6	65	57.1	38.0	19.1	67
1951 ...	52.7	34.1	18.6	65	69.7	49.4	20.3	71
1952 ...	52.9	34.8	18.1	66	63.6	43.2	20.4	68
1953 ...	53.0	33.2	19.8	63	66.8	49.0	17.8	73
1954 ...	48.8	28.8	20.0	59	56.2	37.5	18.7	67
1955 ...	51.9	32.2	19.7	62	58.1	40.1	18.0	69
1956 5/	46.5	25.8	20.7	55	57.6	39.8	17.8	69

1/ Estimated average prices of all frying chickens or eggs sold to consumers in retail stores in urban communities based on prices collected by the Bur. of Labor Statistics.

2/ Payment to producers for live weight quantity equivalent to 1 pound retail weight.

3/ Average payments received by farmers for 1.03 dozen eggs.

4/ Data for frying chickens are averages for last 9 months of year. Data for first 3 months are not available.

5/ Preliminary.

Changes in egg marketing margins and prices from month to month generally have greatly exceeded year-to-year changes. Both retail and farm prices of eggs in the United States have fluctuated considerably from month to month primarily as the result of changes in production rates and market supplies (table 8). Marketing margins in comparison have remained relatively steady except for changes due primarily to seasonal factors. Short-time lags in price adjustments may also account for some of these monthly variations in margins. Seasonally, margins on eggs tend to widen in the late summer and early fall. The apparent explanations are: (1) The average quality of eggs marketed by farmers generally declines and costs of maintaining egg quality in marketing channels increase. (2) Total volumes of eggs moving through marketing channels decline so that the fixed charges of marketing firms must be borne by fewer dozens of eggs. And (3) supplies of large eggs decrease in relation to supplies of medium and small eggs. For opposite reasons, margins on eggs tend to decline in the winter and spring, reaching seasonally low values about March, April, or May, when production volumes of eggs usually are high.

Table 8.- Eggs: Retail price per dozen, farm value, marketing margin, and farmer's share of the retail price, United States urban areas, by months, January 1954-November 1956

Year and month	Retail price: 1/	Farm value : 2/	Marketing : margin	Farmer's share
	Cents	Cents	Cents	Percent
<u>1954</u>				
Jan.	65.1	47.7	17.4	73
Feb.	64.3	47.1	17.2	73
Mar.	56.7	39.9	16.8	70
Apr.	53.8	36.0	17.8	67
May	52.2	34.1	18.1	65
June	50.9	34.0	16.9	67
July	54.6	35.5	19.1	65
Aug.	58.0	38.5	19.5	66
Sept.	56.0	34.8	21.2	62
Oct.	56.1	33.4	22.7	60
Nov.	54.6	34.9	19.7	64
Dec.	51.5	33.7	17.8	65
Average ...	56.2	37.5	18.7	67
<u>1955</u>				
Jan.	50.1	33.2	16.9	66
Feb.	57.8	40.7	17.1	70
Mar.	59.0	40.9	18.1	69
Apr.	53.3	37.0	16.3	69
May	51.6	34.8	16.8	67
June	51.5	34.8	16.7	68
July	55.0	36.3	18.7	66
Aug.	61.4	40.6	20.8	66
Sept.	64.4	45.1	19.3	70
Oct.	64.1	44.2	19.9	69
Nov.	62.4	44.7	17.7	72
Dec.	66.2	48.5	17.7	73
Average ...	58.1	40.1	18.0	69
<u>1956</u>				
Jan.	65.5	48.0	17.5	73
Feb.	58.0	41.4	16.6	71
Mar.	58.1	40.8	17.3	70
Apr.	56.5	39.7	16.8	70
May	55.6	38.6	17.0	69
June	54.0	37.4	16.6	69
July	55.9	37.6	18.3	67
Aug.	56.8	38.0	18.8	67
Sept.	58.9	39.8	19.1	68
Oct.	59.5	39.2	20.3	66
Nov.	57.5	38.3	19.2	67

1/ Estimated average prices of eggs sold to consumers in retail stores in urban communities, based on prices collected by the Bur. of Labor Statistics.

2/ Average payment received by farmers for 1.03 dozen eggs.

Both retail and farm prices of frying chickens declined to an 8-year low in 1956, but farm prices declined slightly more than retail prices. As a result, farm-retail margins for frying chickens increased slightly and the farm share of the retail price decreased to 55 percent in 1956 compared with 62 percent in 1955 and 65 percent in 1949.

The Agricultural Marketing Service initiated a marketing margins study in 1955 on a continuous monthly basis for large, medium, and small eggs, frying chickens, and small, medium, and large turkeys. The study includes nine cities: Atlanta, Baltimore, Boston, **Chicago**, Cleveland, Los Angeles, New York, St. Louis, and San Francisco.

In this study, average retail prices are computed from data collected by the Bureau of Labor Statistics for the first 3 days of the week in which the 15th of the month falls and the last 3 days of the previous week. ^{2/} Prices to retailers, prices paid by city receivers, and farm values are computed from data supplied by the Dairy and Poultry Market News Branch and private firms for Wednesday of the week including the 8th of each month. Farm prices are obtained for 16 major poultry and egg producing areas.

Complete price series for all four market levels in all nine cities are not now available. The analysis in this preliminary report is limited to marketing margins for: (1) frying chickens in Atlanta, Baltimore, Chicago, Los Angeles, and New York; (2) large eggs in Atlanta, Baltimore, Chicago, Los Angeles, and New York; (3) medium eggs in Atlanta, Chicago, and New York; and (4) small turkeys in Baltimore and New York. Future reports are expected to provide more complete information on margins in all nine cities.

Frying Chickens

Prices of frying chickens declined from July through November 1956 at all market levels in the six cities for which complete data are available (fig. 3). A similar decline occurred from August through December, 1955, but prices averaged higher then. For the 4-month period ended in November 1956, retail prices averaged 7.3 cents per pound lower than in the same months of 1955, but farm prices were down 7.9 cents per pound. As a result, the average farm-retail price margin was 0.6 cent per pound wider in the 1956 period, and the farm share of the retail price fell from 60 to 52 percent. Since July 1955, gross farm-retail margins have fluctuated in the range of 20.8 to 25.0 cents per pound.

Increases in supplies of frying chickens and turkeys probably were the principal causes of declines in prices of these products in 1956. Total slaughter of young chickens in 1956, as reported in the Commercial Poultry Slaughter Report, exceeded 3.8 billion pounds, live basis, and was 28 percent greater than in 1955. Slaughter of turkeys, which totaled nearly 930 million pounds in 1956, was up 25 percent. Although slaughter of fowl did not increase and marketings of ducks and geese fell slightly, total slaughter of all poultry, at more than 5.3 billion pounds, live basis, in 1956 was up 24 percent from the 1955 volume.

^{2/} See (glossary of terms, page 11) for description of what each price level represents.

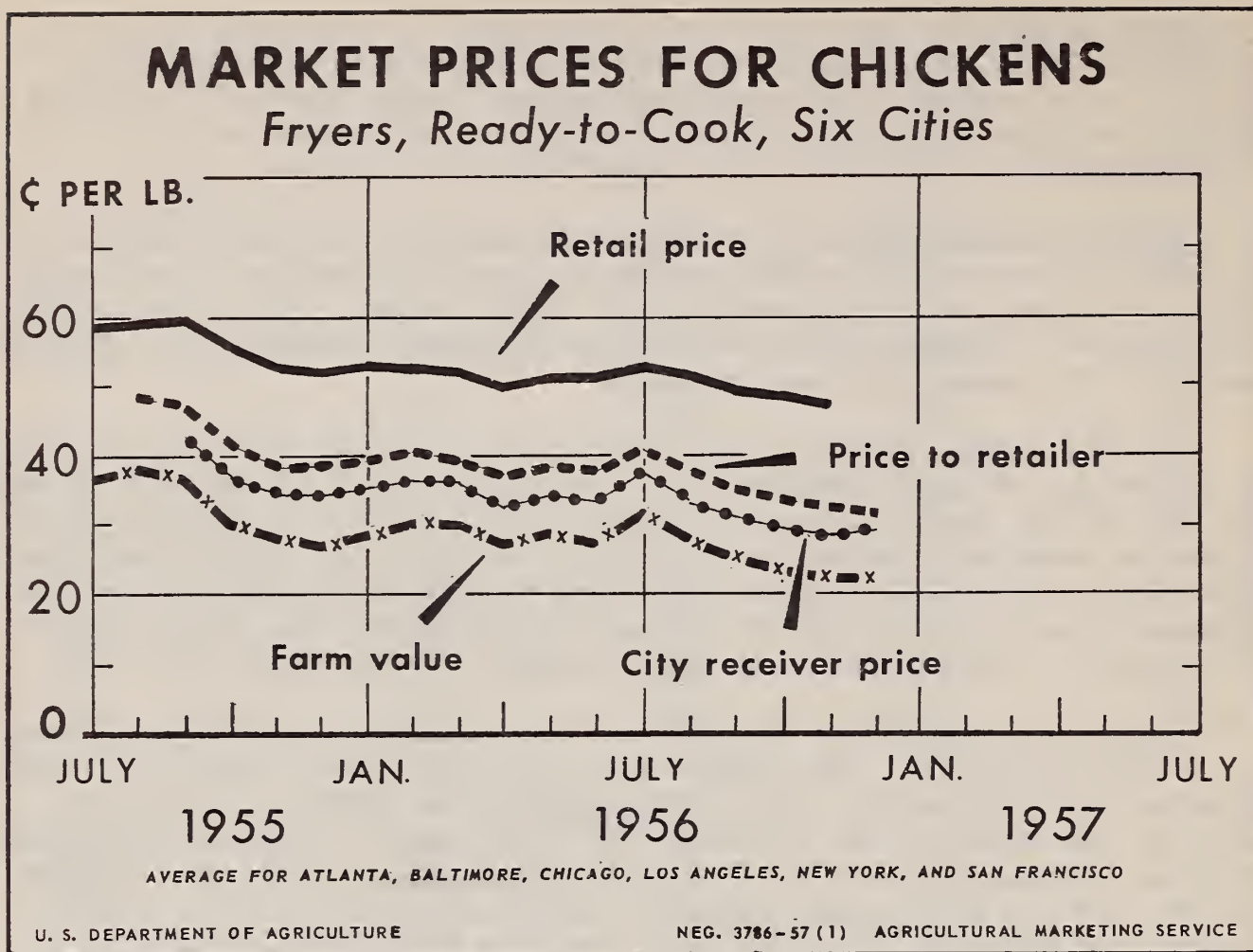


Figure 3

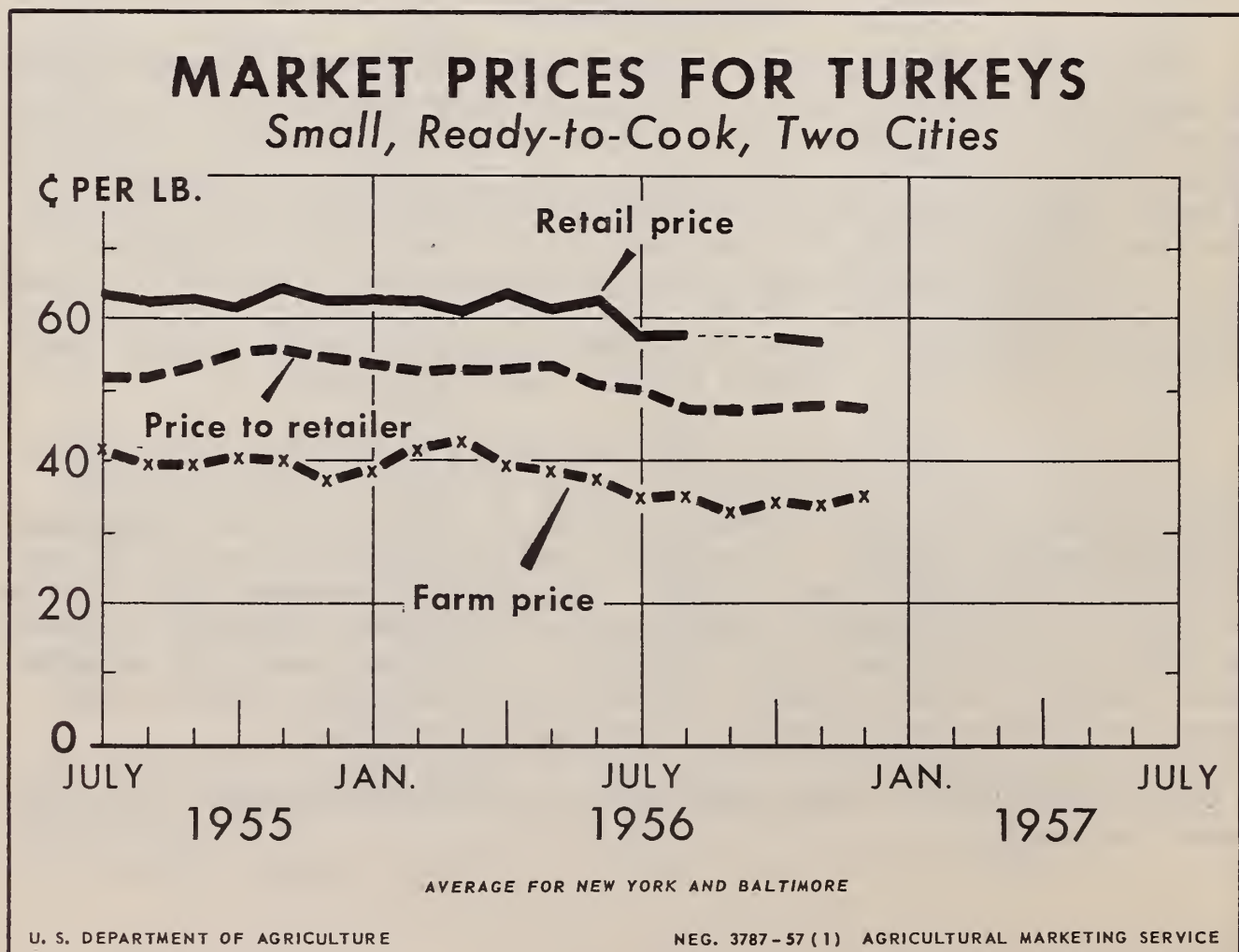


Figure 4

Atlanta had the lowest and San Francisco had the highest average farm-retail price margins on frying chickens among the six cities for the year ended in August 1956 (table 9). The generally lower gross margins on frying chickens in Atlanta and New York appear to be the result of comparatively low margins taken by city distributors and retailers. One factor which may have contributed to the narrower retail margin in New York is that ready-to-cook fryers were handled mostly in the larger supermarkets.

The gross farm-retail margin on fryers sold in the two Pacific Coast cities exceeded farm values. This may be attributed to comparatively high margins of retailers and distributors. Margins of processors supplying San Francisco with frying chickens apparently are about the same as margins taken by processors shipping to other cities. The basic causes of the comparatively high retail and distributor margins in the two cities are not presently known. Differences among markets on margin policies on particular products are a possible partial explanation. Retailers in different areas, for example, in attempting to secure a satisfactory overall margin on all sales, differ in the items selected to carry high, medium, and low margins. Retailers in Los Angeles may handle frying chickens as a high margin item and eggs as a low margin item, while the reverse may be true for retailers in New York.

Retail prices on frying chickens in Los Angeles averaged 10.2 cents per pound less than in San Francisco, but they were still considerably above prices in the other cities. San Francisco retail prices on frying chickens were 24.1 cents per pound more than in Atlanta, which had the lowest average price of the six cities. Retail prices varied more among the six cities than did prices at any of the other three market levels.

City receiver prices were highest in Los Angeles. Farm-to-city receiver margins were lowest for San Francisco and Atlanta. Virtually all fryers sold in these two markets originate in nearby areas. Los Angeles and Chicago, on the other hand, import most of their frying chickens from southern States. Transportation costs probably account for most of the relatively wide farm-to-city receiver price margin in Los Angeles.

The principal differences in gross farm-retail margins for the various cities are in marketing costs after broilers reach the first city receiver. Although these marketing costs consist mostly of labor, they also include costs for property depreciation and maintenance and operation, transportation, selling, overhead, and other miscellaneous expenses as well as profits. 3/

3/ More detailed data pertaining to component costs involved in farm-retail price margins for frying chickens appear in "Marketing Margins for Poultry and Eggs," by Robert M. Conlogue and Frank R. Manson, The Marketing and Transportation Situation, MTS-120, pp. 21-30, Jan. 1956.

Table 9.- Frying chickens and small turkeys (ready-to-cook):
Average market prices per pound, marketing margins, and the farm share
of the retail price, selected cities, 1955-56 ^{1/}

Commodity and city	Farm value	City receiver price ^{2/}	Price to retailers	Retail price
	Cents	Cents	Cents	Cents
<u>Frying chickens</u>				
Atlanta	28.6	32.6	34.6	44.4
Baltimore	29.7	37.0	38.7	50.4
Chicago	28.9	34.6	37.4	47.4
Los Angeles	28.8	37.2	42.0	58.3
New York	29.7	36.7	39.2	46.9
San Francisco	31.7	35.0	46.2	68.5
Average	29.6	35.5	39.7	52.7
<u>Small turkeys</u>				
Baltimore	39.7	---	53.6	63.5
New York	39.7	49.7	52.4	61.4
Average	39.7	---	53.0	62.5
	Farm-to-store margin	Retail margin	Farm-retail margin	Farm share of retail price
				Percent
<u>Frying chickens</u>				
Atlanta	6.0	9.8	15.8	64
Baltimore	9.0	11.7	20.7	59
Chicago	8.5	10.0	18.5	61
Los Angeles	13.2	16.3	29.5	49
New York	9.5	7.7	17.2	63
San Francisco	14.5	22.3	36.8	46
Average	10.1	13.0	23.1	56
<u>Small turkeys</u>				
Baltimore	13.9	9.9	23.8	63
New York	12.7	9.0	21.7	65
Average	13.3	9.5	22.8	64

^{1/} 12-month period for frying chickens, Sept. 1955 through Aug. 1956, and for small turkeys, July 1955 through June 1956.

^{2/} City receiver price for Atlanta, Chicago, Los Angeles, and San Francisco represents f.o.b. delivered city prices, for Baltimore and New York wholesale selling prices.

Turkeys

Prices at all market levels for small turkeys sold to consumers in New York and Baltimore were lower from July through October 1956 than for the corresponding period during 1955 (fig. 4). As noted above, the slaughter of all turkeys in 1956 was 25 percent greater than in 1955. According to the Commercial Poultry Slaughter Report, slaughter of fryer-roaster turkeys was up 8 percent, that of heavy breed hens was up 32 percent, and heavy breed toms up 28 percent.

Average farm-retail margins on small turkeys widened after June 1956. Although margins increased in both cities, the increase was more in Baltimore than in New York. Gross margins on small turkeys in the two cities averaged almost 2 cents per pound more during the period July through October 1956 than for the same period in 1955.

Average farm-retail margins and the component farm-to-store and retail margins were all wider in Baltimore than in New York for the 12 months ended June 1956 (table 9). The differences in margins between the two cities are partially explained by the larger retail-store margins in Baltimore. ^{4/} During the same period, the farm share of the consumer dollar spent on small turkeys was larger for New York than for Baltimore.

Because of the highly seasonal nature of marketings of medium and large turkeys, adequate samples of price information could not be secured for several months in any of the nine cities. Attempts now being made to improve data collection procedures may in the future provide the data needed for analyses of marketing margins on small, medium, and large turkeys for other cities.

Eggs

Large Grade A egg prices (which are, historically, relatively low in price in the late winter and spring, and relatively high in the fall and early winter months) declined at all market levels from January until June 1956, after which they began increasing (fig. 5). Medium Grade A egg prices have declined almost continuously since January 1956, especially at the farm level (fig. 6). From July through November 1956, average prices for both large and medium Grade A eggs at all market levels were below similar prices in the corresponding 1955 period.

The lower 1956 prices of eggs were associated with small increases in egg production. In the first 11 months of 1956 egg production in the United States was about 2 percent larger than in the like 1955 period. However, in the July-November periods, egg production in 1956 was up about 4 percent from the same period in 1955.

^{4/} Comparisons of component marketing margins for turkeys from three major production areas appear in "Marketing Margins for Turkeys," by Earl H. Rinear, The Marketing and Transportation Situation, MTS-121, pp. 36-39, Apr. 1956.

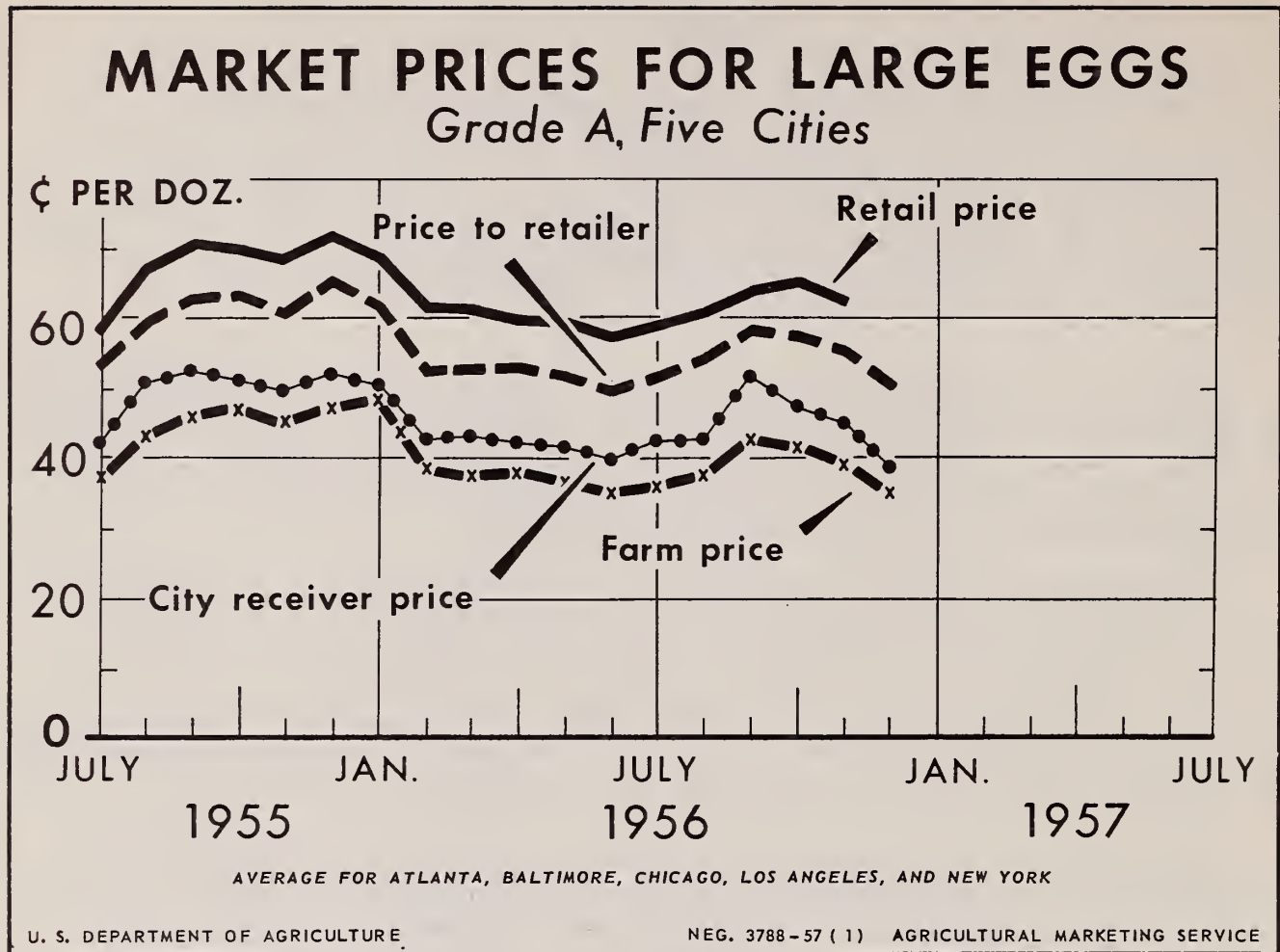


Figure 5

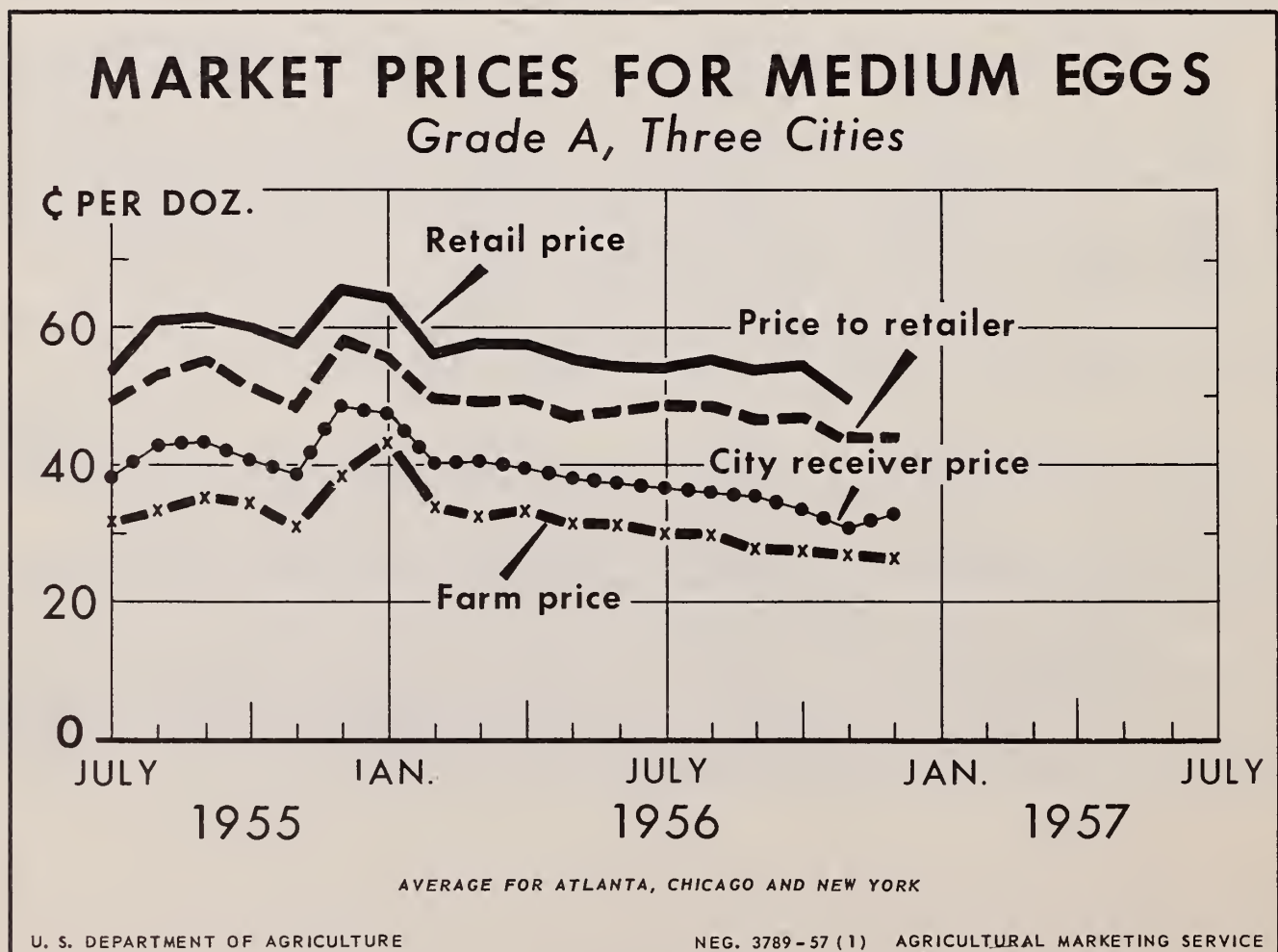


Figure 6

In the three cities -- New York, Chicago, and Atlanta -- for which data are available, retail and farm prices and farm-retail marketing margins have fluctuated considerably from month to month since July 1955. But average levels of margins changed negligibly from the last half of 1955 to the like period in 1956. The month-to-month variations in prices and margins on Grade A large and medium eggs shown in tables 10 and 11 are largely the result of seasonal factors affecting supplies and average quality and size of eggs and of short-time lags in price adjustments at the farm and retail market levels. In addition, the three cities experienced diverse changes in farm-retail price margins from the second half of 1955 to the second half of 1956. Thus, while average margins on large eggs increased in New York and Atlanta by 0.8 cent per dozen, they decreased 0.5 cent per dozen in Chicago. Average margins on medium eggs decreased both in Chicago by 1.5 cents per dozen and in New York by 0.6 cent per dozen, but increased in Atlanta by 1.5 cents per dozen.

Although egg marketing margins vary from month to month, these fluctuations are not as great as the monthly changes in prices. Prices at all market levels tend to move in the same direction. The amounts by which these prices change also frequently are equal and rarely are highly unequal. Margins on large eggs have varied somewhat less from month to month since July 1955 in the three cities than have margins on medium eggs. This may be associated with the more highly seasonal variability in supplies of medium eggs.

Changes in farm and retail price relationships appear to be greater when measured in terms of farm share of the retail price than when measured in cents per dozen because of the relative stability of individual marketing costs compared with variable price levels. For example, farm-retail margins on large Grade A eggs in January and February 1956 averaged 20.3 and 23.1 cents per dozen, respectively, a difference of 2.8 cents. Expressing the same price relationships involved in these gross margins as the farm share of the retail price, the percentages are 70.5 and 62.4, respectively, a difference of 8.1 percentage points.

Picture for a moment figure 5 superimposed on figure 6. Prices of medium eggs during the late summer and early autumn of 1955 and 1956, the flush season for small eggs, were influenced more than those of large eggs by severe competitive buying, especially at farm and "price-to-retailer" levels. As large eggs became more numerous in November and December 1955 and small egg supplies dwindled, medium egg prices strengthened. The spread between prices of large and medium eggs then narrowed, and remained relatively stable throughout the late winter and spring months. Simultaneous movements in the prices of both sizes of eggs continued until about July 1956. Government purchases of medium eggs, beginning in the late summer of 1956, were designed to help stabilize egg prices, especially during the fall months.

Table 10.- Eggs, large Grade A white: Retail price, farm price, and marketing margin, per dozen, New York, Chicago, and Atlanta, by months, July 1955-December 1956

Year and month:	New York			Chicago			Atlanta		
	Retail	Farm	Market-	Retail	Farm	Market-	Retail	Farm	Market-
	price	price 1/	ing	price	price 1/	ing	price	price 1/	ing
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1955									
July	65.6	46.8	18.8	54.0	31.5	22.5	56.9	41.0	15.9
Aug.	79.4	60.1	19.3	62.7	35.0	27.7	64.2	43.5	20.7
Sept.	80.0	56.5	23.5	67.8	38.5	29.3	68.2	50.0	18.2
Oct.	76.9	53.9	23.0	65.6	40.5	25.1	66.8	48.5	18.3
Nov.	75.2	52.5	22.7	65.5	38.5	27.0	68.0	48.0	20.0
Dec.	76.6	54.4	22.2	67.3	41.5	25.8	73.8	51.0	22.8
1956									
Jan.	74.5	53.4	21.1	64.5	41.0	23.5	68.1	52.0	16.1
Feb.	65.4	41.9	23.5	58.1	31.5	26.6	59.2	40.5	18.7
Mar.	66.8	42.0	24.8	57.8	31.0	26.8	59.5	38.2	21.3
Apr.	65.5	43.4	22.1	57.1	33.0	24.1	58.1	38.5	19.6
May	64.4	41.0	23.4	57.6	32.0	25.6	58.7	38.0	20.7
June	63.1	39.2	23.9	55.7	30.5	25.2	57.3	37.5	19.8
July	66.2	42.6	23.6	56.6	31.0	25.6	58.8	39.0	19.8
Aug.	68.0	45.5	22.5	57.5	31.0	26.5	60.2	42.5	17.7
Sept.	73.8	54.8	19.0	60.2	36.0	24.2	61.9	45.0	16.9
Oct.	71.3	48.2	23.1	62.5	36.0	26.5	63.7	43.0	20.7
Nov.	68.1	44.6	23.5	57.5	33.5	24.0	63.9	41.5	22.4
Dec. 2/	64.3	41.8	22.5	53.9	26.5	27.4	60.3	37.5	22.8

1/ Price paid to farmers in New Jersey for eggs marketed in New York, in Iowa for those marketed in Chicago, and in Georgia for those in Atlanta.

2/ Preliminary.

Table 11.- Eggs, medium Grade A white: Retail price, farm price, and marketing margin, per dozen, New York, Chicago, and Atlanta, by months, July 1955-December 1956

Year and month:	New York			Chicago			Atlanta		
	Retail	Farm	Market-	Retail	Farm	Market-	Retail	Farm	Market-
	price	price 1/	ing	price	price 1/	ing	price	price 1/	ing
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1955									
July	58.0	40.6	17.4	48.6	26.5	22.1	54.2	36.0	18.2
Aug.	68.6	47.8	20.8	54.2	25.5	28.7	60.1	39.0	21.1
Sept.	65.0	40.9	24.1	57.2	30.0	27.2	62.1	41.5	20.6
Oct.	62.8	40.9	21.9	55.6	30.5	25.1	62.4	38.5	23.9
Nov.	61.1	36.6	24.5	52.3	25.5	26.8	59.2	36.0	23.2
Dec.	67.3	47.8	19.5	59.4	33.0	26.4	68.7	43.0	25.7
1956									
Jan.	66.9	48.4	18.5	59.1	38.0	21.1	66.3	48.0	18.3
Feb.	59.5	39.4	20.1	51.9	28.5	23.4	55.9	38.0	17.9
Mar.	61.2	39.4	21.8	52.3	29.0	23.3	58.4	35.2	23.2
Apr.	61.5	41.5	20.0	52.4	30.5	21.9	58.0	35.0	23.0
May	57.8	35.4	22.4	52.6	28.5	24.1	55.5	34.0	21.5
June	56.8	36.4	20.4	50.3	27.5	22.8	55.9	33.5	22.4
July	56.6	36.9	19.7	49.2	25.5	23.7	55.8	32.0	23.8
Aug.	57.2	35.4	21.8	51.6	26.0	25.6	56.6	34.0	22.6
Sept.	54.0	32.5	21.5	49.2	23.5	25.7	57.6	31.5	26.1
Oct.	54.6	32.3	22.3	49.4	22.5	26.9	58.7	31.5	27.2
Nov.	52.0	30.6	21.4	44.6	22.0	22.6	50.6	31.5	19.1
Dec. 2/	52.0	34.2	17.8	43.8	20.5	23.3	54.6	32.0	22.6

1/ Price paid to farmers in New Jersey for eggs marketed in New York, in Iowa for those marketed in Chicago, and in Georgia for those in Atlanta.

2/ Preliminary.

Average farm-retail margins for the 12 months ended June 1956 were wider on large than on medium eggs in both New York and Chicago (table 12). New York had the highest and Los Angeles had the lowest gross margins on large eggs of the five cities studied. Incomplete information on egg prices for San Francisco indicate that farm-retail margins for that city were slightly higher than those for Los Angeles but below those in other cities for which data are available. This position of the two Pacific Coast cities was in sharp contrast to their relative standing among the six cities on margins for frying chickens.

Average retail margins generally comprised about one-third of the total farm-retail margins on both large and medium eggs for the 12 months ended June 1956. Chicago had a wider retail margin on large than on medium eggs whereas in Atlanta the reverse was true. Retail margins in New York and averages of retail margins in the three cities, Atlanta, Chicago, and New York, were about the same for both large and medium eggs.

Farm-to-store margins did not vary much between large and medium eggs within cities. However, there was considerable variation in the farm-to-store margins between cities. The farm-to-store margin on large eggs in Los Angeles was by far the lowest of the five cities. 5/

Glossary of Terms

(1) Farm value - Payment received by producers for quantity of live poultry equivalent to 1 pound ready-to-cook poultry. Computed farm values are based on prices at farms in the major producing areas supplying the bulk of a given commodity to the various city market areas. For example, farm prices of frying chickens for Los Angeles are weighted average prices paid to producers in commercial broiler areas of Arkansas, northern Alabama, northern Georgia and Texas, whereas those for San Francisco are prices paid producers in the San Joaquin Valley of California. These prices have been adjusted so that the value of the commodity at the farm is on an equivalent weight basis with the value of the commodity being priced at other levels.

(2) City receiver price includes f.o.b. delivered city prices and wholesale selling prices. Although, technically, there should be a difference in prices reported at these levels, prices reported often overlap. Trade practices and the resulting pricing mechanisms make it difficult to achieve a satisfactory differentiation of these price levels. The average f.o.b. delivered city price includes prices paid to processors by chain stores that bypass city wholesalers. Wholesale selling prices include prices to jobbers, between wholesale dealers, and to others who may buy in wholesale lots.

5/ For a more detailed analysis of components involved in the farm-retail margin, see "Marketing Margins for Poultry and Eggs," by Robert M. Conlogue and Norris T. Pritchard, The Marketing and Transportation Situation, MTS-116, pp. 18-27, Jan. 1955.

Table 12.- Eggs, large and medium: Average market prices per dozen, marketing margins, and the farm share of the retail price, selected cities, July 1955-June 1956

Commodity and city	At farm price	City receiver price 1/	Price to retailers	Retail price
	Cents	Cents	Cents	Cents
<u>Large eggs</u>				
Atlanta	44.0	46.5	56.8	63.2
Baltimore	43.6	48.4	60.8	67.8
Chicago	35.4	43.2	55.2	61.1
Los Angeles	44.2	---	51.3	59.4
New York	41.6	48.4	61.4	71.1
Average	41.8	46.6	57.1	64.5
<u>Medium eggs</u>				
Atlanta	38.0	40.9	50.7	59.7
Chicago	29.5	39.6	49.9	53.8
New York	34.9	43.2	52.8	62.2
Average	34.1	41.2	51.1	58.6
	Farm-to-store margin	Retail margin	Farm-to-retail margin	Farm share of retail price
				Percent
<u>Large eggs</u>				
Atlanta	12.8	6.4	19.2	70
Baltimore	17.2	7.0	24.2	64
Chicago	19.8	5.9	25.7	58
Los Angeles	7.1	8.1	15.2	74
New York	19.8	9.7	29.5	59
Average	15.3	7.4	22.7	65
<u>Medium eggs</u>				
Atlanta	12.7	9.0	21.7	64
Chicago	20.4	3.9	24.3	55
New York	17.9	9.4	27.3	56
Average	17.0	7.5	24.5	58

1/ City receiver price for Atlanta and Baltimore is f.o.b delivered city price, for Chicago and New York wholesale selling price.

(3) Price to retailers - Prices paid by or offered on a door-delivery basis to retailers, hotels, restaurants, and others who buy in smaller than wholesale quantities. This price includes door deliveries to individual chain stores, but it does not include prices paid by chain stores for deliveries to their warehouses.

(4) Retail price - Prices to consumers in retail stores.

(5) Farm-to-store margin is the difference between the price to retailers and the farm value.

(6) Retail margin is the difference between the retail price and the price to retailers.

(7) Farm-retail margin is the difference between the retail price to consumers and the farm value.

MARKETING COSTS AND MARGINS FOR DAIRY PRODUCTS 1/

:
: Average marketing margins for fluid milk sold 1 quart at a :
: time have increased about 14 percent since 1952, which :
: appears in line with increases for major cost items. But :
: the average for all milk sold to household consumers has :
: not increased by as large a percentage, because in more and:
: more markets consumers receive price discounts on milk when:
: they buy more than 1 quart at a time. The farm-retail :
: marketing margins for American processed cheese and butter :
: declined from 1955 to 1956, but the margin for evaporated :
: milk increased slightly. :
:

Fluid Milk

Consumers of fluid milk paid an average price of 23.3 cents for a single quart of milk during 1956 (table 13). 2/ This was an increase of 0.8 cent per quart, or 4 percent over 1955, and 0.3 cent above the previous high annual average of 23.0 cents in 1952. The farm value, or payment received by farmers for an equivalent quantity of milk, was 10.6 cents in 1956, an increase of 0.4 cent over 1955; this reversed the downward trend from 1952 through 1955. The farmer's share of the retail price averaged 45 percent in both 1955 and 1956. The marketing margin increased from 12.3 cents in 1955 to 12.7 cents in 1956, or 3 percent. 3/ Since the base period of 1947-49, retail prices have increased 17 percent and the marketing margin 37 percent. The farm value has ranged from 9.8 cents in 1950 to 11.9 cents in 1952. The 1956 average was the same as the 1947-49 average -- 10.6 cents. The average marketing margin per quart on all fluid milk sales was probably less in 1956 than the 12.7 cents indicated above, since that figure is based primarily on single-quart prices. 4/

1/ Prepared by D. D. MacPherson, Agricultural Economist, and Helen V. Smith, Statistical Assistant, Agr. Market. Serv.

2/ Weighted average of home-delivery and retail-store prices. During the past 4 years, retail-store prices have averaged from 1.0 to 2.0 cents less than home-delivery prices.

3/ Marketing margin is the difference between the price paid by consumers and the payment received by farmers; it includes all marketing costs added to the product after the first sale by the farmers. Principal items are labor, depreciation of buildings and equipment, containers, supplies, utilities, taxes, and profits.

4/ Data are lacking on quantities sold at each of several prices for multiple sales of single-quart containers, for multiple-quart containers, and for different outlets.

Table 13.- Fluid milk: Retail price per quart in urban areas, United States, farm value, marketing margin, and farmer's share of retail prices, average 1947-49, and annual 1950-56 1/

Year	Retail price	Farm value	Farmer's share	Marketing margin
	Cents	Cents	Percent	Cents 1952=100
1947-49	19.9	10.6	53	9.3 84
1950	19.6	9.8	50	9.8 88
1951	21.9	11.2	51	10.7 96
1952	23.0	11.9	52	11.1 100
1953	22.8	11.1	49	11.7 105
1954	22.4	10.3	46	12.1 109
1955	22.5	10.2	45	12.3 111
1956 <u>2/</u>	23.3	10.6	45	12.7 114

1/ Estimates of the retail price and farm value are computed from average retail and farm prices published by the Bur. of Labor Statistics and Dept. of Agr.

2/ Preliminary.

Quantity Discounts Spreading

The practice of granting discounts on sales of more than 1 quart at a single purchase is spreading. In December 1956, discounts from the single-quart home-delivery price were reported in 98 of the 152 markets reporting, or 65 percent; this was an increase of 3 percentage points over December 1955 when 90 out of 146 reported discounts. Such discounts were based upon: Number of quarts per delivery, per week or per month; two-quart containers; gallon containers; and service charge for first unit of each single delivery. Discounts were granted by stores in 119 out of 152 markets in December 1956, compared with 92 out of 146 markets in December 1955; these covered multiple-quart sales in both single-quart containers and multiple-quart containers. Incomplete information indicates that there are other special discounts of unknown amounts from published prices. It is evident, therefore, that an increasing percentage of customers are purchasing milk at prices less than the single-quart price.

Multiple-Quart Containers

Sales of milk in the gallon jug on a cash-and-carry basis have been one of the features of the shift from sales by home delivery to sales at regular retail food stores and dairy stores. The half-gallon glass bottle, the half-gallon paper carton, and the single-quart attached carton have tended to stimulate sales in multiple-quart volume. Although the single-quart glass container still predominates for home delivery, it is losing ground to the half-gallon and gallon glass container and the half-gallon paper carton. The half-gallon carton is the most important container for store outlets. Gallon containers are widely used and are especially important in Chicago, Wichita, Fort Wayne, and Milwaukee among markets for which data are available.

Table 14.- Proportion of milk sales by principal sizes of containers, 1/
20 Federal order markets, specified periods

Market	Date	Gallon	1/2 gallon	Quart
		Percent	Percent	Percent
Milwaukee, Wis.	:Dec. 1955	: 18.2	: 66.7	: 15.1
	:July 1956	: 19.2	: 66.5	: 14.3
Wichita, Kans.	:Oct. 1955	: 29.8	: 47.6	: 22.6
	:Oct. 1956	: 35.5	: 46.7	: 17.8
North Tex.	:Jan. 1955	: 2.4	: 71.6	: 26.0
	:Sept. 1955	: 2.6	: 76.0	: 21.4
Chicago, Ill.	:Apr. 1955	: 35.4	: 39.6	: 25.0
	:Apr. 1956	: 37.3	: 41.1	: 21.6
Tulsa, Okla.	:Oct. 1955	: 19.6	: 47.8	: 32.6
	:Oct. 1956	: 20.3	: 52.3	: 27.4
St. Louis, Mo.	:Nov. 1954	: 2.7	: 61.5	: 35.8
	:Nov. 1955	: 3.3	: 69.1	: 27.6
Kansas City, Mo.	:Oct. 1955	: 7.6	: 57.8	: 34.6
	:Oct. 1956	: 8.7	: 62.8	: 28.5
San Antonio, Tex.	:Sept. 1955	: 11.5	: 50.4	: 38.1
	:Sept. 1956	: 12.7	: 57.2	: 30.1
Fort Wayne, Ind.	:Aug. 1955	: 23.5	: 40.5	: 36.0
	:Aug. 1956	: 32.6	: 37.2	: 30.2
Oklahoma City, Okla.	:Sept. 1955	: 7.5	: 50.9	: 41.6
	:Sept. 1956	: 11.2	: 56.7	: 32.1
Neosho Valley, Kans.-Mo.	:Oct. 1955	: 3.4	: 53.2	: 43.4
	:Oct. 1956	: 3.9	: 61.8	: 34.3
Memphis, Tenn.	:July-Sept. 1955	: 1.4	: 56.5	: 42.1
	:July-Sept. 1956	: 4.9	: 56.6	: 38.5
Austin, Tex.	:Apr. 1955	: 10.5	: 50.6	: 38.9
	:Apr. 1956	: 8.0	: 52.7	: 39.3
Minneapolis-St. Paul, Minn.	:1954 year	: 10.8	: 34.0	: 55.2
	:1955 year	: 11.3	: 47.8	: 40.9
Knoxville, Tenn.	:Jan.-June 1955	: —	: 50.9	: 49.1
	:Jan.-June 1956	: 1.5	: 52.6	: 46.8
Louisville, Ky.	:June 1955	: 4.3	: 37.5	: 58.2
	:Dec. 1955	: 4.1	: 47.3	: 48.6
Central Ariz.	:Dec. 1955	: 5.3	: 38.6	: 56.1
	:Oct. 1956	: 6.3	: 44.6	: 49.1
Puget Sound area, Wash.	:June 1954	: 3.4	: 23.3	: 73.3
	:June 1955	: 3.3	: 29.2	: 67.5
Detroit, Mich.	:Sept. 1954	: —	: 23.4	: 76.6
	:Sept. 1955	: —	: 28.6	: 71.4
Toledo, Ohio	:Jan.-Mar. 1954	: 1.8	: 18.2	: 80.0
	:Jan.-Mar. 1955	: 1.4	: 24.1	: 74.5

1/ Does not include data for pint, 1/3 quart, 1/2 pint, or bulk sales.

Compiled from regular and special reports of the market administrators of the specified markets.

Changes in sizes of containers for milk are related to many other changes in marketing practices. Types of product, sales patterns, inter-market sales, wage levels, market organization and structure, expanded industrial activities, suburban development, consumer buying habits, improved quality of milk, and the previously mentioned quantity discounts have all been contributing factors.

In the 20 markets for which detailed data are available, during a period of 1 year, the proportion of total milk sales made in quart containers declined in each market; declines ranged from less than 1 percent to more than 14 percent (table 14). The simple average decline for all 20 markets was about 6 percentage points. As a proportion of total, sales of milk in half gallons increased from 46 percent to 50.5 percent and in gallons from 10 percent to 11.4 percent.

Retail and Wholesale Sales

The shift in container sizes reflects changes in the proportion of milk that distributors deliver to homes and to retail stores and other wholesale buyers. Most quart containers are used for home delivery retail sales, but most multiple-quart units are for wholesale sales to retail stores. In the six cities (table 15), for which detailed data are available, the proportion of total fluid milk sales sold at retail declined about 3 percentage points a year.

Table 15.- Dealers' sales of fluid milk by type of buyer, market, and date

Market	Date	Stores, restaurants, etc.	Home delivery
		Percent	Percent
Kansas City, Mo.	: June 1954	: 63.8	: 36.2
	: June 1956	: 69.8	: 30.2
Wichita, Kans.	: Oct. 1955	: 61.0	: 39.0
	: Oct. 1956	: 64.3	: 35.7
St. Louis, Mo.	: Nov. 1954	: 57.4	: 42.6
	: Nov. 1955	: 60.8	: 39.2
Minneapolis-St. Paul, Minn.:	: Nov. 1954	: 56.8	: 43.2
	: Nov. 1955	: 57.2	: 42.8
Puget Sound area, Wash. ...	: Nov. 1954	: 49.0	: 51.0
	: Nov. 1955	: 52.0	: 48.0
Toledo, Ohio	: Jan.-Mar. 1954	: 40.0	: 60.0
	: Jan.-Mar. 1955	: 43.3	: 56.7

Compiled from regular and special reports published by the administrators of the respective markets.

Operating Costs of Dairy Firms

Major cost factors are increasing in the fluid milk industry. Management is continually faced with the problem of offsetting these increases by adopting improved processing and marketing practices. The use of larger size containers and the shift toward a larger proportion of wholesale sales are among the changes that have been made in the last 5 years to offset increasing rates on many cost items. Installation of materials handling equipment and new and better plants and equipment have helped hold down unit costs. Innovations which have been adopted in the field of processing are expected to reduce costs.

These changes in dairy plant operation, along with a sharp decline in net margin per unit of product, have resulted in only a 6 percent increase in the gross margin per unit for a group of independent milk plants, much less than rate increases of major cost components. From 1952 through 1956, average hourly earnings increased by 20 percent (table 16), yet their labor costs per unit of product, increased only 7 percent (table 17). This was particularly significant, since labor costs account for nearly 50 percent of the costs of assembling, processing, and distributing milk. Cost of containers has risen in each of the 6 years but since they are purchased as a finished product, operating economies cannot materially affect such costs. This is reflected in the 18 percent increase per unit for containers.

Table 16.- Trends in major cost items in dairy products industry, 1952-56

(1952 = 100)					
Year	Average hourly earnings, dairy products industries 1/	Fuel, power, and lighting material	Machinery and motive products	Container board	Glass containers
1952	100	100	100	100	100
1953	107	103	101	101	108
1954	111	101	103	104	113
1955	115	101	106	104	114
1956 2/ ..	120	104	113	107	120

1/ Computed from average earnings per hour.

2/ Preliminary.

Table 17.- Trends in operating expenses per unit of product for a selected group of milk dealers in the East, Midwest, and South, January-June 1952-56

(1952 = 100)						
Expense	:	January-June				
	:	1952	1953	1954	1955	1956
Wages, salaries, and commissions ..	:	100	100	103	107	107
Containers	:	100	102	107	113	118
Supplies	:	100	100	120	113	93
Repairs, rent, and depreciation ...	:	100	102	116	127	127
Other expenses	:	100	102	110	120	113
Net margin before income taxes	:	100	106	77	74	74
Gross margin	:	100	101	104	108	106
Number of firms	:	42	48	74	86	80

The increase of 27 percent in repairs, rent, and depreciation per unit of product reflects both increasing costs of such items and the increased use of new plant and equipment. The cost of operating supplies and services (such as utilities) have increased only slightly since 1952; operating efficiencies have reduced the unit cost of these items during the past 3 years. Other expenses, made up primarily of payroll taxes, property taxes, and advertising and promotional programs, have increased about 13 percent. Net profits (before income taxes) have decreased 26 percent on a per unit basis (table 17).

Manufactured Dairy Products

American Processed Cheese

The annual average farm-retail price spread or marketing margin for American process cheese for the United States as a whole has remained relatively constant for the past 4 years (table 18). The farm-retail price spread increased from 23.7 cents per pound in 1950 to 29.9 cents in 1953. Since 1953, it has varied within a range of 2.1 cents, reaching a high of 30.6 cents in the second quarter of 1955, and dropping to a low of 28.5 cents in the fourth quarter of 1956. Changes in the average retail price have closely paralleled changes in the farm value of an equivalent quantity of milk. Farm value as a percentage of retail price declined from a high of 59 percent in 1952 to 51 percent in 1953. Since that date, partly as a result of price-support influence, it has remained fairly constant, with 1956 showing an increase of 2 percentage points over the 7-year low of 48 percent in 1954 and 1955.

Table 18.- Retail and wholesale prices of principal manufactured dairy products, farm values, and marketing margins, 1950-56

American processed cheese							
Year and quarter	United States: average retail price per pound	Processed loaf, wholesale price per pound, Chicago	Farm value of: equivalent quantity of milk	Farm-retail price spread	Wholesale- retail price spread	Farm-wholesale price spread	Farm value as a percentage of retail price
	Cents	Cents	Cents	Cents	Cents	Cents	Percent
1950	51.1	35.6	27.4	23.7	15.5	8.2	54
1951	58.3	42.8	33.7	24.6	15.5	9.1	53
1952	59.9	44.0	35.2	24.7	15.9	8.8	59
1953	59.8	40.7	30.7	29.1	19.1	10.0	51
1954	57.6	36.5	27.7	29.9	21.1	8.8	48
1955	57.7	36.4	27.7	30.0	21.3	8.7	48
1956 1/	57.2	36.3	28.5	28.7	20.9	7.8	50
1955							
Jan.-Mar.	57.5	36.7	28.0	29.1	20.8	8.7	47
Apr.-June	57.7	36.1	27.1	30.6	21.6	9.0	47
July-Sept.	57.8	36.0	27.3	30.5	21.8	8.7	47
Oct.-Dec.	57.7	36.9	28.2	29.5	20.8	8.7	49
1956							
Jan.-Mar.	57.0	35.8	28.4	28.6	21.2	7.4	50
Apr.-June	57.1	36.3	28.4	28.7	20.8	7.9	50
July-Sept.	57.3	36.5	28.4	28.9	20.8	8.1	50
Oct.-Dec. 1/ ..	57.2	36.5	28.7	28.5	20.7	7.8	50
Creamery butter							
Year and quarter	United States: average retail price per pound	Wholesale price per pound, 92 score, Chicago	Farm value of: equivalent quantity of milk and cream	Farm-retail price spread	Wholesale- retail price spread	Farm-wholesale price spread	Farm value as a percentage of retail price
	Cents	Cents	Cents	Cents	Cents	Cents	Percent
1950	72.5	61.7	50.0	22.5	10.8	11.7	69
1951	81.4	69.2	57.7	23.7	12.2	11.5	71
1952	85.0	72.2	59.9	25.1	12.8	12.3	70
1953	79.0	65.9	53.2	25.8	13.1	12.7	67
1954	72.4	59.7	47.0	25.4	12.7	12.7	65
1955	70.9	57.4	45.8	25.1	13.5	11.6	65
1956 1/	72.1	59.2	47.2	24.9	12.9	12.0	65
1955							
Jan.-Mar.	71.3	57.4	46.3	25.0	13.9	11.1	65
Apr.-June	70.5	57.2	45.5	25.0	13.3	11.7	65
July-Sept.	70.6	57.5	45.2	25.4	13.1	12.3	64
Oct.-Dec.	71.1	57.7	46.2	24.9	13.4	11.5	65
1956							
Jan.-Mar.	70.8	57.5	46.2	24.6	13.1	11.3	65
Apr.-June	71.4	58.9	46.9	24.5	12.5	12.0	66
July-Sept.	72.1	59.6	47.2	24.9	12.5	12.4	65
Oct.-Dec. 1/ ..	74.1	60.9	48.6	25.5	13.2	12.3	66
Evaporated milk							
Year and quarter	United States: average retail price per 14-1/2 ounce can	Wholesale price per 14-1/2 ounce can 2/	Farm value of: equivalent quantity of milk	Farm-retail price spread	Wholesale- retail price spread	Farm-wholesale price spread	Farm value as a percentage of retail price
	Cents	Cents	Cents	Cents	Cents	Cents	Percent
1950	12.6	10.9	6.0	6.6	1.7	4.9	48
1951	14.4	12.7	7.4	7.0	1.7	5.3	51
1952	14.9	13.2	7.9	7.0	1.7	5.3	53
1953	14.6	12.3	6.6	8.0	2.3	5.7	45
1954	13.9	11.6	6.0	7.9	2.3	5.6	43
1955	13.7	11.6	6.0	7.7	2.1	5.6	44
1956 1/	14.0	12.1	6.2	7.8	1.9	5.9	44
1955							
Jan.-Mar.	13.7	11.6	6.2	7.5	2.1	5.4	45
Apr.-June	13.7	11.6	5.9	7.8	2.1	5.7	43
July-Sept.	13.7	11.6	6.0	7.7	2.1	5.6	44
Oct.-Dec.	13.7	11.8	6.1	7.6	1.9	5.7	45
1956							
Jan.-Mar.	13.8	11.9	6.3	7.5	1.9	5.6	40
Apr.-June	13.9	12.0	6.2	7.7	1.9	5.8	45
July-Sept.	14.2	12.4	6.1	8.1	1.8	6.3	43
Oct.-Dec. 1/ ..	14.3	12.4	6.4	7.9	1.9	6.0	45

1/ Preliminary.

2/ United States average manufacturers' selling price per case converted to price per 14-1/2 oz. can.

Butter

The annual average marketing margin for creamery butter declined each year during the 4-year period, 1953-56, from a high of 25.8 cents per pound in 1953 to a low of 24.9 cents in 1956 (table 18). Both the farm-wholesale price spread and the wholesale-retail price spread were smaller in 1956 than in 1953. Changes in average retail prices have followed very closely changes in the farm value during the last 3 years; farm value as a percentage of retail price, on an annual basis, has remained constant at 65 percent.

Evaporated Milk

The annual average marketing margin for evaporated milk varied from a high of 8.0 cents per 14-1/2 ounce can to a low of 7.7 cents during the 4-year period 1953-56. The increase of 1.4 cents in retail price from 1950 to 1956 resulted mostly from a rise of 1.0 cents in the farm-wholesale price spread; farm value of an equivalent quantity of milk rose 0.2 cent and wholesale-retail price spread also rose 0.2 cent. The farm value as a percentage of retail price rose from 48 percent in 1950 to 53 percent in 1952, dropped sharply to 43 percent in 1954, and rose to 44 in 1955 and 1956.

MARKETING COSTS AND MARGINS FOR FRUITS AND VEGETABLES 1/

:
: Average per unit marketing charges for fresh vegetables :
: have increased about 39 percent since 1949, but only 4 :
: percent for fresh fruits. Marketing charges for processed:
: fruits and vegetables are up about 3 percent since 1949. :
: The following article discusses trends in marketing :
: charges and prices, and describes what makes up marketing :
: margins for Washington Delicious apples, Florida oranges, :
: and Idaho Russet Burbank potatoes marketed in New York :
: and Chicago. :
:

Trends in marketing margins for fruits and vegetables have been upward in recent years, but the rate of increase has been less than the average increase for all farm products in the market basket. 2/ Between 1946 and 1956, marketing margins for fresh and processed fruits and vegetables in the market basket increased 32 percent. This compared with an average increase of 58 percent for all foods in the market basket. Over two-thirds of the increase for all fruits and vegetables occurred during the postwar inflation period prior to 1949. During the 11 years from 1946 to 1956, the total retail cost of all fruits and vegetables in the market basket increased 20 percent, while the farm value of the equivalent quantity of produce was about the same in 1956 as in 1946. The farmer's share of the consumer's dollar spent on fruits and vegetables during 1956 was 30 percent compared to 37 percent in 1946.

Fresh Fruits and Vegetables

Between 1946 and 1952 marketing margins on fresh fruits and vegetables rose 42 percent. During the same period freight rates increased considerably. Between 1952 and 1955, these margins were relatively stable, but they rose about 5 percent between 1955 and 1956, when transportation rates again increased. The farmer's share of the consumer's dollar spent on fresh fruits and vegetables was 37 percent in 1956 compared with 36 percent in 1955 and 47 percent in 1946.

1/ Prepared by Joseph C. Podany, Agricultural Economist, Market. Res. Div., Agr. Market. Serv.

2/ The "market basket" contains the average quantities of farm-produced food products purchased for consumption at home by urban wage-earner and clerical-worker families in 1952. The marketing margin is the difference between the retail price paid by the consumer and the payment to the farmer for equivalent farm products. It is an estimate of the charges made by marketing agencies for assembling, processing, transporting, and distributing the farm products.

Marketing margins for fresh vegetables have increased more than those for fresh fruits. The cause has been partly the result of increased production of winter and early spring vegetable crops in the more distant production areas and a decline in the importance of market garden production near consuming centers. From 1946 to 1949, the marketing margins for both fresh fruits and vegetables increased about 25 percent. Since 1949, marketing margins for fresh fruits have increased 4 percent while those for fresh vegetables increased 39 percent. Between 1955 and 1956, marketing margins for fresh fruits increased about 3 percent while those on fresh vegetables increased 7 percent.

Processed Fruits and Vegetables

Marketing margins for processed fruits and vegetables have changed moderately in recent years. In 1947, the marketing margins for all processed fruits and vegetables in the market basket totaled \$74, 20 percent more than in 1946. After 1947, the total margin declined to \$65 in 1950 and by 1955 had risen to \$72. There was no change in the size of the margin between 1955 and 1956. The farmer's share varied between 20 and 24 percent during 1946-56, but was 20 or 21 percent during most of this 11-year period.

Marketing Costs

Increased marketing margins have been due mostly to higher costs of performing marketing services. These costs have increased as a result of rises in labor and transportation rates, and prices of materials, equipment, and services which marketing firms buy.

Labor is a major cost component of the marketing bill for fruits and vegetables. Average hourly earnings of employees in the canning and preserving industry rose to \$1.57 in 1956 from a level of 80 cents in 1945 and \$1.46 in 1955. Hourly earnings of employees in retail stores were \$1.69 in 1956 compared with 79 cents in 1945 and \$1.62 in 1955. No figures on labor costs are available for firms specializing in the marketing of fresh fruits and vegetables. Increases in average hourly earnings of their employees, however, probably are comparable to those cited above.

Transportation costs make up a substantial portion of the marketing margin for fruits and vegetables. Some important production areas are a great distance from major consumer markets. Many of the products are extremely perishable and must be shipped under refrigeration and receive careful handling both in transit and during distribution.

The Interstate Commerce Commission on March 7, 1956, authorized increased rail freight rates for fresh and canned fruits and vegetables by 6 percent but not to exceed 6 cents per 100 pounds. After this increase, the average level of freight rates for fresh fruits and vegetables was 54 percent above 1945 and 4 percent above 1955. A later authorized increase raised rail freight rates on fresh fruits and vegetables by a maximum of 7 cents per 100 pounds except on shipments in the southern territories, effective December 26, 1956.

Increases of 15 percent in railroad refrigeration charges became effective April 17, 1956, for shipments in other than mechanical refrigerator cars and September 19, 1956, for mechanical refrigerator cars. Railway express rates on fruits and vegetables went up 7 percent for carload shipments on April 16, 1956, and 10 percent for less-than-carload shipments on May 1, 1956. The ICC also authorized many increases during 1956 for truck freight rates under its jurisdiction. It is not known to what extent these changes are applicable to fruits and vegetables, since a large proportion is hauled in trucks owned by farmers or by carriers which are exempt from ICC rate regulation. It is believed, however, that even if truck-line operators raise their own rates in response to rail rate increases, they will not raise them enough to interrupt the upward trend in the proportion of fruit and vegetable shipments moving by truck.

Other costs incurred by marketing firms also have risen during the year. Prices of fuel, power, and lighting materials averaged 3 percent higher in 1956 than in 1955. Prices of both paperboard and metal containers rose 6 percent, and those of glass containers rose 5 percent over the previous year.

Profits after taxes of leading canning and food preserving companies, as a percentage of stockholders' equity, averaged 6.6 percent in 1953, 7.8 percent in 1954, and 10.0 percent in 1955. Their profits as a percent of sales were 2.3 percent in 1953, 2.8 percent in 1954, and 3.4 percent in 1955. Retail food chains reported profits after taxes of 11.0 percent of stockholders' equity in 1953, 10.9 percent in 1954, and 10.7 percent in 1955. Their profits as a percent of sales were 0.9 percent in 1953 and 1.0 percent in 1954 and 1955.

Oranges

Marketing charges for handling oranges must cover the many services required to bring them from the grove to the consumer. The oranges must be picked, hauled from the grove to a packinghouse, degreened, washed, brushed, inspected, sorted, packed, loaded onto a refrigerated railroad car or truck, and shipped to market. At the terminal market, they must be unloaded from the railroad car or truck, sold through the auction market or by private sale, and hauled to a wholesaler's store or a chain store warehouse where they are unloaded. They are later sold to a retailer, loaded on another truck and hauled to his store where they are unloaded and placed on a display rack.

The costs involved in marketing oranges may be illustrated by Florida oranges sold through Chicago and New York City fruit auctions during the 1955-56 season (table 19).

Table 19.- Florida oranges marketed in Chicago and New York: Average price per 1-3/5 bushel wirebound box, marketing costs and margins, and return to grower, 1955-56 season

Item	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	Season average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Chicago									
Prices or returns									
Grower on-tree returns ...	0.59	1.04	0.95	1.84	1.48	1.42	1.43	2.00	1.34
Auction prices 1/	3.47	3.95	3.85	4.80	4.42	4.42	4.46	5.06	4.30
Retail prices 1/	6.53	6.35	6.09	6.97	6.53	6.70	6.88	8.03	6.76
Margin (grower-retail)									
Shipping point costs 2/ ..	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38
Rail freight 3/	1.23	1.23	1.23	1.23	1.23	1.29	1.32	1.32	1.26
Terminal market 4/	3.33	2.70	2.53	2.52	2.44	2.61	2.75	3.33	2.78
Total	5.94	5.31	5.14	5.13	5.05	5.28	5.45	6.03	5.42
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price :									
Shipping point costs 2/ ..	21	22	23	20	21	21	20	17	20
Rail freight 3/	19	19	20	18	19	19	19	16	19
Terminal marketing margin:	51	43	42	36	37	39	40	41	41
Total 5/	91	84	84	74	77	79	79	75	80
New York									
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Prices or returns									
Grower on-tree returns ...	0.81	1.47	1.26	1.74	1.90	1.84	2.12	3.03	1.77
Auction prices 1/	2.19	2.85	2.64	3.12	3.28	3.22	3.50	4.41	3.15
Retail prices 1/	7.32	7.67	7.94	8.03	8.03	8.03	8.47	9.26	8.09
Margin (grower-retail)									
Shipping point costs 2/ ..	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38
Rail freight 3/	1.27	1.27	1.27	1.27	1.27	1.32	1.34	1.34	1.29
Terminal market 4/	3.86	3.55	4.03	3.64	3.48	3.49	3.63	3.51	3.65
Total	6.51	6.20	6.68	6.29	6.13	6.19	6.35	6.23	6.32
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price :									
Shipping point costs 2/ ..	19	18	17	17	17	17	16	15	17
Rail freight 3/	17	17	16	16	16	16	16	14	16
Terminal marketing margin:	53	46	51	45	43	43	43	38	45
Total 5/	89	81	84	78	76	77	75	67	78

1/ Auction prices: Average price of the week immediately preceding the 15th of each month.
Agr. Market. Serv.

Retail prices: Average price first 3 days of the week containing the 15th of each month.

Bur. of Labor Statistics.

2/ Includes picking, hauling, degreening, and packing cost.

3/ Including refrigeration and 3 percent Federal tax.

4/ Auction-retail margin plus terminal selling charges.

5/ Discrepancies are due to rounding.

The average retail price for Florida oranges sold in Chicago during the 1955-56 marketing season was \$6.76 per 1-3/5 bushel wirebound box. There was some indication of an upward trend in retail prices during the season. The total marketing margin averaged \$5.42 per box or 80 percent of the retail price. The terminal marketing margin (retail-wholesale margin plus terminal market selling charges) accounted for 41 percent of the retail price, declining during the first half of the season and increasing during the second half. Transportation charges from the producing area to Chicago accounted for 19 percent of the retail price. Picking, hauling, packing, and other shipping-point operations accounted for 20 percent. The grower's on-tree return averaged 20 percent for Florida oranges sold in Chicago during the season; however, during the first 3 months of the marketing season it was lower than in later months.

The average retail price for Florida oranges marketed in New York City was \$8.09 per 1-3/5 bushel wirebound box during the 1955-56 season. There was a definite upward trend in retail prices during the marketing season. The total marketing margin averaged \$6.32 or 78 percent of the retail price during the season. The terminal marketing margin made up 45 percent of the retail price. There was no definite trend in this margin, although it fluctuated rather widely during the marketing season. Transportation charges to New York City from Florida averaged 16 percent of the retail price, and shipping-point costs 17 percent. The grower's on-tree return averaged 22 percent of the retail price and, like in Chicago, it was lowest during the early months of the marketing season.

The retail price of Florida oranges was \$1.33 per box higher in New York City than in Chicago. The grower's on-tree return for oranges sold in New York City was 41 cents per box higher than for those sold in Chicago. Prices and returns were higher for oranges sold in New York City, mainly because a much larger proportion of Indian River oranges was sold there. The latter sell at higher prices than oranges from the interior section of Florida.

Apples

The United States average retail price of all apples was 12.5 cents per pound in 1946. The price then declined until 1950, but since 1951 it has risen to 13.9 cents a pound in 1955 and 14.2 cents in 1956. The marketing margin was 5.8 cents in 1946. Since 1951 it has steadily increased to 7.8 cents a pound in 1955 and 8.1 cents in 1956. The farmer's share of the consumer's dollar was 54 percent in 1946. It declined to 43 percent in 1951 and since then has fluctuated between 43 and 48 percent. It was 44 percent in 1955 and 43 percent in 1956.

Data have been obtained regarding marketing margins and costs for Washington Delicious apples sold at auction in Chicago and New York during the 1955-56 season (table 20). The average retail price of Washington apples sold in Chicago during the 1955-56 season was \$8.01 per Northwest box. Retail prices rose as the season progressed until March, then declined. The average total marketing margin for Washington Delicious apples during the season was \$4.89, or 61 percent of the retail price. The wholesale-retail margin was 46 percent of the retail price, rail freight

Table 20.- Apples, Washington Delicious, marketed in Chicago and New York:
Average price per Northwest box and marketing costs and margins, 1955-56 season

Item	Dec.	Jan.	Feb.	Mar.	Apr.	Average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Chicago						
Prices or returns						
Packinghouse return <u>1/</u>	3.58	2.97	3.06	3.11	2.91	3.12
Auction price <u>1/</u>	4.76	4.12	4.21	4.26	4.09	4.29
Retail price <u>1/</u>	7.83	7.92	8.14	8.32	7.83	8.01
Margin (packinghouse to retail):						
Rail Freight <u>2/</u> .....	.87	.87	.87	.87	.90	.88
Terminal selling charges <u>3/</u> ..	.31	.28	.28	.28	.28	.29
Wholesale-retail margin <u>4/</u> ..	3.07	3.80	3.93	4.06	3.74	3.72
Total	4.25	4.95	5.08	5.21	4.92	4.89
	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price						
Rail freight	11	11	11	10	11	11
Terminal selling charges	4	4	3	3	4	4
Wholesale-retail margin	39	48	48	49	48	46
Total <u>5/</u>	54	63	62	63	63	61
New York						
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Prices or returns						
Packinghouse return	3.55	3.09	3.09	3.15	3.27	3.23
Auction price <u>1/</u>	4.92	4.44	4.43	4.50	4.66	4.59
Retail price <u>1/</u>	8.23	8.18	8.18	7.88	8.54	8.20
Margin (packinghouse to retail):						
Rail freight <u>2/</u>	1.05	1.05	1.05	1.05	1.08	1.06
Terminal selling charges <u>3/</u> ..	.32	.30	.29	.30	.31	.30
Wholesale-retail margin <u>4/</u> ..	3.31	3.74	3.75	3.38	3.88	3.61
Total	4.68	5.09	5.09	4.73	5.27	4.97
	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price						
Rail freight	13	13	13	13	13	13
Terminal selling charges	4	4	4	4	4	4
Wholesale-retail margin	40	46	46	43	45	44
Total <u>5/</u>	57	62	62	60	62	61

1/ Packinghouse return: Auction price less rail freight and terminal selling charges. Auction prices: Average prices of the week immediately preceding the 15th of each month, Agr. Market. Serv. Retail prices: Average prices first 3 days of the week containing the 15th of each month, Bur. of Labor Statistics.

2/ Including 3 percent tax. Wenatchee, Wash., to Chicago and New York at 50 lb. billing weight per box. For standard refrigeration or modified protective service, if desired, the additional charges (including 3 percent tax) would be:

	Cents per Northwest box
	To Chicago To New York

Standard refrigeration	14	17
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Carrier's protective service against cold (Rule 515)	5	6
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3/ Terminal selling charges as follows: Auction selling charge, 1-3/4 percent of selling price; auction handling charge, 4 cents per box; selling broker's commission, 4 percent of selling price.

4/ Retail price less auction price.

5/ Discrepancies due to rounding.

charges 11 percent, and selling charges 4 percent. These growers and shippers together received an average of \$3.12 per box, or 39 percent of the retail price, during the season. Often the grower does his own packing and shipping. For that reason returns received at the packing house level could not always be divided between shipper and grower.

In New York City, the retail price of Washington Delicious apples averaged \$8.20 per Northwest box during the 1955-56 season. The average total marketing margin was \$4.97, or 61 percent of the retail price. The wholesale-retail margin averaged \$3.61 per box, or 44 percent of the retail price, 2 percentage points below the wholesale-retail margin in Chicago. Rail freight charges averaged 13 percent of the retail price and selling charges 4 percent. The grower and shipper together received an average of 39 percent of the retail price, the same percentage as for apples marketed in Chicago. Since the level of prices was higher in New York City than in Chicago, the grower and shipper received an average of 11 cents per box more for marketings there than in Chicago.

Potatoes

The spread between the United States average retail price of white potatoes (all varieties combined) and the farm value was 12 percent greater in 1956 than in 1955, and 78 percent greater than in 1946. The farmer's share of the retail price was 39 percent in 1956, compared with 34 percent in 1955. It varied from 34 to 52 percent between 1946 and 1955.

The average retail price for Idaho Russet Burbank potatoes in Chicago was \$7.33 per 100 pounds during the 1955-56 season (table 21). The season average grower-retail marketing margin on these potatoes was \$5.38 or 73 percent of the retail price. The retail margin, the largest segment of the total marketing margin, made up 38 percent of the retail price, and the wholesale margin accounted for 7 percent. Rail freight charges took 18 percent and the shipping-point margin 11 percent of the retail price. The grower price averaged 27 percent of the retail price.

In New York City, the retail price for Idaho Russet Burbanks averaged \$8.45 during the 1955-56 season. The grower-retail marketing margin averaged \$6.50, or 77 percent of the retail price. The retail margin averaged 41 percent, 3 percentage points more than for Idaho potatoes sold in Chicago. The wholesale margin averaged 7 percent, rail freight charges 20 percent, and the shipping-point margin 9 percent of the New York City retail price. The price to the grower was 23 percent of the retail price.

Table 21.- Potatoes, Idaho Russet Burbanks marketed in Chicago and New York:
Average prices per 100 pounds and marketing costs
and margins, 1955-56 season

Item	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	average
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Chicago							
Prices							
Grower	1.28	1.36	1.96	2.18	2.15	2.77	1.95
Shipping point 1/	2.05	2.26	2.82	2.88	2.88	3.48	2.73
Wholesale 1/	3.95	4.00	4.46	4.90	4.60	5.35	4.54
Retail 1/	6.80	7.00	6.80	7.60	7.60	8.20	7.33
Margin (grower-retail)							
Shipping point margin 2/ .....	.77	.90	.86	.70	.73	.71	.78
Rail freight 3/	1.30	1.30	1.30	1.30	1.30	1.36	1.31
Wholesale margin 4/ .....	.60	.44	.34	.72	.42	.51	.50
Retail margin 5/	2.85	3.00	2.34	2.70	3.00	2.85	2.79
Total	5.52	5.64	4.84	5.42	5.45	5.43	5.38
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price							
Shipping point margin	11	13	13	9	10	9	11
Rail freight	19	19	19	17	17	17	18
Wholesale margin	9	6	5	9	6	6	7
Retail margin	42	43	34	36	39	35	38
Total 6/	81	81	71	71	72	66	73
New York							
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Prices							
Grower	1.28	1.36	1.96	2.18	2.15	2.77	1.95
Shipping point 1/	2.05	2.26	2.82	2.83	2.88	3.48	2.73
Wholesale 1/	4.40	4.36	5.02	5.18	5.20	5.72	4.98
Retail 1/	8.00	8.00	8.50	8.80	8.20	9.20	8.45
Margin (grower-retail)							
Shipping point margin 2/ .....	.77	.90	.86	.70	.73	.71	.78
Rail freight 3/	1.66	1.66	1.66	1.66	1.66	1.72	1.67
Wholesale margin 4/ .....	.69	.44	.54	.64	.66	.52	.58
Retail margin 5/	3.60	3.64	3.48	3.62	3.00	3.48	3.47
Total	6.72	6.64	6.54	6.62	6.05	6.43	6.50
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Percentage of retail price							
Shipping point margin	10	11	10	8	9	8	9
Rail freight	21	21	20	19	20	19	20
Wholesale margin	9	6	6	7	8	6	7
Retail margin	45	46	41	41	37	38	41
Total 6/	84	83	77	75	74	70	77

1/ Shipping point and grower prices: Average price during the two weeks preceding the Tuesday wholesale price. Agr. Market. Serv.

City wholesale price: Average price less-than carload lots for Tuesday of the week preceding the week including the 15th of each month. Agr. Market. Serv.

Retail price: Average price first 3 days of the week containing the 15th of each month. Bur. of Labor Statistics.

2/ Shipping point price less grower price.

3/ Rail freight from Twin Falls, Idaho, including 3 percent Federal transportation tax.

4/ Wholesale price less transportation and shipping point price.

5/ Retail price less wholesale price.

6/ Discrepancies are due to rounding.

SELECTED NEW PUBLICATIONS

1. "An Analysis of the Peanut Shelling Industry, 1950-51 through 1952-53," by C. B. Gilliland and T. B. Smith, U. S. Dept. Agr. Market. Res. Rept. 134, Aug. 1956. (Processed.)
2. "Changing Patterns in Fluid Milk Distribution: Types of Milk, Channels of Sale, Types and Sizes of Containers," by Helen V. Smith and Louis F. Herrmann, U. S. Dept. Agr. Market. Res. Rept. 135, Aug. 1956. (Processed.)
3. "Do Trading Stamps Affect Food Costs?" by Market Organization and Costs Branch, Agr. Market. Serv., U. S. Dept. Agr. Market. Res. Rept. 147, Jan. 1957.
4. "Financing Western Broiler Production," by Kenneth D. Naden and George A. Jackson, Jr., Calif. Agr. Expt. Sta. Bull. 753, May 1956.
5. "Food Transportation and What it Costs Us," Agr. Market. Serv., U. S. Dept. Agr. Misc. Pub. 738, Nov. 1956.
6. "Grain Marketing Facilities and Practices in South Carolina," by Thew D. Johnson, W. Edward Blackmore, E. W. Siedschlag, and Perry S. Richey, U. S. Dept. Agr. Market. Res. Rept. 138, Oct. 1956. (Clemson Coll. and AMS cooperating.) (Processed.)
7. "Improving the Effectiveness of Supermarket Managers," by Martin Kriesberg and Martin Leiman, U. S. Dept. Agr. Market. Res. Rept. 125, 1956. (Processed.)
8. "Influence of Certificated Stocks on Spot-Futures Price Relationships for Cotton," by L. D. Howell, U. S. Dept. Agr. Tech. Bull. 1151, Oct. 1956.
9. "Job Attitudes of Supermarket Employees," by R. W. Hoecker and Martin Kriesberg, Agr. Market. Serv. Pub. 142, Sept. 1956. (Processed.)
10. "Livestock Marketing Margins," by Gerald Engelman, U. S. Dept. Agr. Market. Serv. Statements to the Seventh Annual Stockmen's Short Course, Washington State College, Pullman, Wash., Dec. 10-14, 1956. (Processed.)
11. "Marketing Sugar Beets," by Donald Jackson, D. B. DeLoach, and Rado J. Kinzhuber, Agr. Market. Serv. Pub. 137, Nov. 1956. (Processed.)
12. "Marketing Tree Nuts - Trends and Prospects," by Jules V. Powell and Richard S. Berberich, U. S. Dept. Agr. Market. Res. Rept. 139, Oct. 1956. (Processed.)
13. "Methods of Increasing Labor Productivity in Multistory and Small One-Floor Grocery Warehouses," by John C. Bouma and Arnold L. Lundquist, U. S. Dept. Agr. Market. Res. Rept. 142, Nov. 1956. (Processed.)
14. "Railroad Transportation of Rough Rice in Louisiana and Texas," by J. Edward Jay and Mark R. Enger, U. S. Dept. Agr. Market. Res. Rept. 136, Sept. 1956. (Processed.)
15. "Recent Findings About Milk Distribution Costs," by Robert E. Olson and Louis F. Herrmann, U. S. Dept. Agr. Market. Serv. Paper presented before the Accounting Section, 49th Annual Convention of the Milk Industry Foundation, Atlantic City, N. J., Nov. 2, 1956. (Processed.)
16. "Selected Data Relating to Women's Attitudes Toward Wool and Other Fibers," by Esther S. Hochstim, contract report with Stewart, Dougall, & Associates, Inc., of New York, and Audits and Surveys, Inc., of New York. Prelim. Release, U. S. Dept. Agr. Market. Serv. Pub. 140, Sept. 1956. (Processed.)
17. "Survey of Distribution Practices for Prepackaged Frozen Meat," by James S. Toothman, U. S. Dept. Agr. Market. Res. Rept. 137, Sept. 1956. (Processed.)

18. "The Effect of Apple Handling Methods on Storage Space Utilization," by D. Loyd Hunter, Francis Kafer, and Charles H. Meyer, U. S. Dept. Agr. Market. Res. Rept. 130, July 1956. (Contract report with Washington State Apple Commission.) (Processed.) This report is the fourth in a series of five reports on efficiency in handling apples.
19. "The Use of Frozen Foods by Restaurants," by Henry T. Badger, contract report with Crosley, S-D Surveys, Inc., U. S. Dept. Agr. Market. Res. Rept. 144, Nov. 1956. (Processed.)
20. "Trends in Marketing Costs and Practices - The Longer Term Outlook," by Kenneth E. Ogren, U. S. Dept. Agr. Market. Serv. Paper presented at the 34th Annual Agricultural Outlook Conference, Washington, D. C., Nov. 27, 1956. (Processed.)
21. "Unloading and Receiving Produce in Retail Food Stores," by Paul Shaffer and Dale Anderson, U. S. Dept. Agr. Market. Res. Rept. 129, Aug. 1956. (Processed.)
22. "Utilization and Disposal of Poultry Byproducts and Wastes," by Humbert Scott Kahle and Leo R. Gray, U. S. Dept. Agr. Market. Res. Rept. 143, Nov. 1956. (Processed.)

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: Publications issued by State Agricultural Experiment :
: Stations may be obtained from the issuing Station. :
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LIST OF SPECIAL ARTICLES
in
The Marketing and Transportation Situation
1956

Marketing Costs, Margins, and Profits

Marketing Margins for Dairy Products	Jan.
Marketing Margins for Poultry and Eggs	Jan.
Marketing Margins for Fruits and Vegetables	Jan.
Marketing Margins for Soybean and Cottonseed Oils Used in Margarine and Shortening	Jan.
Net Income of Processors of Farm Food Products in 1955	Apr.
Trends in the Cost of Labor in Marketing Farm Food Products	Apr.
Marketing Margins for Turkeys	Apr.
Trends in Corporate Profits in Marketing Farm Food Products	July
Costs and Profits in Marketing Farm Food Products (Includes marketing bill data, 1913-56.)	Oct.

Transportation

Higher Freight Rates and Other Transport Developments	Apr.
Transportation Developments	Oct.
Some Effects of the Federal-Aid Highway Act of 1956 Upon Agriculture	Oct.

Miscellaneous

Consumer Incomes and Expenditures	Apr.
Significance of the Increased Emphasis on Food Quality	July
The Outlook for Marketing Facilities and Services	Oct.
The Outlook for Frozen Foods	Oct.

Table 22.- Farm food products: Retail cost, farm value of equivalent quantities sold by producers, byproduct allowance, marketing margin, and farmer's share of retail cost, annual 1955 1/

Product	Farm equivalent	Retail unit	Retail cost	Gross farm value	Byproduct allowance	Net farm value	Margin	Farmer's share
			Dollars	Dollars	Dollars	Dollars	Dollars	Percent
Market basket			2/974.94	---	---	2/395.52	2/579.42	41
Meat products			2/246.42	---	---	2/132.23	2/114.19	54
Dairy products			2/181.26	---	---	2/ 83.00	98.26	46
Poultry and eggs		Average quantities purchased per urban wage-earner and clerical-worker family in 1952	2/104.88	---	---	68.88	2/ 36.00	66
Bakery and cereal products	Farm produce equivalent to products bought by urban families							
All ingredients			150.00	---	---	30.96	119.04	21
Grain			---	27.90	2/ 3.85	2/ 24.05	---	16
All fruits and vegetables			2/208.18	---	---	2/ 60.70	147.48	29
Fresh fruits and vegetables			2/119.22	---	---	2/ 43.27	2/ 75.95	36
Fresh vegetables			2/ 62.52	---	---	2/ 21.84	2/ 40.68	35
Processed fruits and vegetables			2/ 88.95	---	---	2/ 17.43	71.52	20
Fats and oils			2/ 42.86	---	---	2/ 12.89	29.97	30
Miscellaneous products			2/ 41.34	---	---	6.86	2/ 34.48	17
			Cents	Cents	Cents	Cents	Cents	Percent
Beef (Choice grade)	2.16 lb. Choice grade cattle	Pound	2/67.7	2/45.9	2/3.7	2/42.2	2/25.5	62
Pork (excluding lard)	1.32 lb. hogs	Pound	2/49.2	2/28.0	2/2.7	2/25.3	2/23.9	2/51
Butter	Cream and whole milk	Pound	70.9	---	---	45.8	25.1	65
Cheese, American processed	Milk for American cheese	Pound	57.7	---	---	2/27.7	2/30.0	48
Evaporated milk	Milk for evaporating	14 1/2 ounce can	13.7	---	---	6.0	7.7	44
Fluid milk	Wholesale fluid milk	Quart	22.5	---	---	10.2	12.3	45
Chickens, frying	Commercial broilers	Pound	2/51.9	---	---	32.2	2/19.7	62
Eggs	1.03 doz.	Dozen	2/58.1	---	---	40.1	2/18.0	69
Bread, white .....	.912 lb. wheat	Pound	17.7	3.1	.4	2.7	15.0	15
Crackers, soda	1.41 lb. wheat	Pound	27.0	4.8	.7	4.1	22.9	15
Corn flakes	1.57 lb. white corn	12 ounces	22.0	3.8	1.1	2.7	19.3	12
Corn meal	1.34 lb. white corn	Pound	12.6	3.2	.4	2.8	9.8	22
Flour, white	7.04 lb. wheat	5 pounds	53.8	23.8	3.2	20.6	33.2	38
Rice	1.04 lb. rough rice	Pound	2/19.1	7.5	1.1	6.4	2/12.7	2/34
Rollod oats	2.56 lb. oats	20 ounces	19.1	5.3	.9	4.4	14.7	23
Apples 2/	1.08 lb. apples	Pound	13.9	---	---	6.1	7.8	44
Grapefruit 2/	1.04 grapefruit	Each	10.4	---	---	1.8	8.6	17
Lemons	1.04 lb. lemons	Pound	2/18.0	---	---	2/ 5.1	2/12.9	2/28
Oranges	1.04 doz. oranges	Dozen	2/52.8	---	---	2/16.6	2/36.2	2/31
Beans, green	1.09 lb. snap beans	Pound	2/22.0	---	---	2/ 9.1	2/12.9	2/41
Cabbage	1.10 lb. cabbage	Pound	2/ 8.3	---	---	2.6	2/ 5.7	2/31
Carrots	1.11 lb. carrots	Bunch	2/13.9	---	---	4.4	2/ 9.5	32
Lettuce	1.30 lb. lettuce	Head	16.4	---	---	6.5	9.9	40
Onions	1.06 lb. onions	Pound	8.1	---	---	2.6	5.5	32
Potatoes	10.42 lb. potatoes	10 pounds	2/56.4	---	---	2/19.4	2/37.0	2/34
Sweetpotatoes 4/	1.12 lb. sweetpotatoes	Pound	13.4	---	---	2/ 4.9	2/ 8.5	2/37
Tomatoes	1.18 lb. tomatoes	Pound	27.4	---	---	2/ 9.0	2/18.4	33
Peaches, canned	1.39 lb. Calif. cling	No. 2-1/2 can	34.1	---	---	6.1	28.0	18
Orange juice, canned	5.38 lb. Fla. oranges for canning	46 ounce can	33.9	---	---	8.5	25.4	25
Corn, canned	2.49 lb. sweet corn	No. 303 can	17.1	---	---	2.5	14.6	15
Peas, canned .....	.69 lb. peas for canning	No. 303 can	21.5	---	---	3.2	18.3	15
Tomatoes, canned	1.84 lb. tomatoes for processing	No. 303 can	15.1	---	---	2.2	12.9	15
Beans with pork, canned .....	.35 lb. Mich. pea beans	16 ounce can	14.9	---	---	3.0	11.9	20
Orange juice concentrate, frozen	3.05 lb. Fla. oranges for frozen concentrated juice	6 ounce can	18.3	---	---	5.6	12.7	31
Strawberries, frozen .....	.51 lb. strawberries for processing	10 ounces	30.6	---	---	8.2	22.4	27
Beans, green, frozen .....	.79 lb. beans for processing	10 ounces	24.1	---	---	4.9	19.2	20
Peas, frozen .....	.70 lb. peas for freezing	10 ounces	20.2	---	---	3.2	17.0	16
Dried prunes .....	.97 lb. dried prunes	Pound	33.7	---	---	10.9	22.8	32
Navy beans	1.00 lb. Mich. pea beans	Pound	18.3	---	---	8.7	9.6	48
Margarine, colored	Soybeans, cottonseed, and milk	Pound	2/28.9	---	---	8.3	2/20.6	29
Peanut butter	1.77 lb. peanuts	Pound	54.4	---	---	21.7	32.7	40
Salad dressing	Cottonseed, soybeans, sugar, and eggs	Pint	35.3	---	---	7.3	23.0	21
Vegetable shortening	Soybeans and cottonseed	3 Pounds	2/89.5	---	---	29.7	2/59.8	33
Corn sirup	1.9 lb. corn	24 ounces	23.7	4.4	.9	3.5	20.2	15
Sugar	36.98 lb. sugar beets	5 pounds	52.1	20.0	1.0	5/19.0	5/33.1	5/36

1/ Information concerning the sources of price data and calculation of net farm values, marketing margins, and the farmer's share are given in the Supplement to the July-Sept. 1953 issue of this Situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

2/ Revised.

3/ 9-month average.

4/ 10-month average.

5/ Net farm value adjusted for Government payments to producers was 23.1 cents, margin adjusted for Government processor tax was 30.4 cents, farmer's share of retail cost based on adjusted farm value was 44 percent.

Table 23.- Farm food products: Retail cost, farm value of equivalent quantities sold by producers, byproduct allowance, marketing margin, and farmer's share of retail cost, annual 1956 1/

Product	Farm equivalent	Retail unit	Retail cost	Gross farm value	Byproduct allowance	Net farm value	Margin	Farmer's share
			Dollars	Dollars	Dollars	Dollars	Dollars	Percent
Market basket			975.87	---	---	390.25	585.62	40
Meat products			237.65	---	---	124.63	113.02	52
Dairy products			185.51	---	---	85.50	100.01	46
Poultry and eggs		Average quantities purchased per urban wage-earner and clerical-worker family in 1952	99.29	---	---	61.81	37.48	62
Bakery and cereal products	Farm produce equivalent to products bought by urban families		150.72	---	---	30.84	119.88	20
All ingredients			---	27.37	3.87	23.50	---	16
Grain								
All fruits and vegetables			217.69	---	---	66.08	151.61	30
Fresh fruits and vegetables			127.17	---	---	47.44	79.73	37
Fresh vegetables			68.01	---	---	24.64	43.37	36
Processed fruits and vegetables			90.52	---	---	18.64	71.88	21
Fats and oils			43.42	---	---	14.49	28.93	33
Miscellaneous products			41.59	---	---	6.90	34.69	17
			Cents	Cents	Cents	Cents	Cents	Percent
Beef (Choice grade)	2.16 lb. Choice grade cattle	Pound	66.0	43.8	3.7	40.1	25.9	61
Pork (excluding lard)	1.32 lb. hogs	Pound	46.7	26.3	2.6	23.7	23.0	51
Butter	Cream and whole milk	Pound	72.1	---	---	47.2	24.9	65
Cheese, American processed	Milk for American cheese	Pound	57.2	---	---	28.5	28.7	50
Evaporated milk	Milk for evaporating	14 1/2 ounce can	14.0	---	---	6.2	7.8	44
Fluid milk	Wholesale fluid milk	Quart	23.3	---	---	10.6	12.7	45
Chickens, frying	Commercial broilers	Pound	46.5	---	---	25.8	20.7	55
Eggs	1.03 doz.	Dozen	57.6	---	---	39.8	17.8	69
Bread, white .....	.912 lb. wheat	Pound	17.9	3.0	.4	2.6	15.3	15
Crackers, soda	1.41 lb. wheat	Pound	27.6	4.6	.6	4.0	23.6	14
Corn flakes	1.57 lb. white corn	12 ounces	21.9	3.9	1.1	2.8	19.1	13
Corn meal	1.34 lb. white corn	Pound	12.6	3.3	.4	2.9	9.7	23
Flour, white	7.04 lb. wheat	5 pounds	53.3	23.2	3.2	20.0	33.3	38
Rice	1.68 lb. rough rice	Pound	18.6	7.5	1.1	6.4	12.2	34
Rollled oats	2.56 lb. oats	20 ounces	19.3	5.3	.9	4.4	14.9	23
Apples 2/	1.08 lb. apples	Pound	14.2	---	---	6.1	8.1	43
Grapefruit 2/	1.04 grapefruit	Each	11.2	---	---	2.2	9.0	20
Lemons	1.04 lb. lemons	Pound	18.9	---	---	5.6	13.3	30
Oranges	1.04 doz. oranges	Dozen	58.2	---	---	19.7	38.5	34
Beans, green	1.09 lb. snap beans	Pound	24.9	---	---	11.3	13.6	45
Cabbage	1.10 lb. cabbage	Pound	7.9	---	---	1.8	6.1	23
Carrots	1.11 lb. carrots	Bunch	13.7	---	---	3.6	10.1	26
Lettuce	1.30 lb. lettuce	Head	16.5	---	---	5.9	10.6	36
Onions	1.06 lb. onions	Pound	9.5	---	---	3.3	6.2	35
Potatoes	10.42 lb. potatoes	10 pounds	67.7	---	---	26.3	41.4	39
Sweetpotatoes 3/	1.12 lb. sweetpotatoes	Pound	12.5	---	---	4.0	8.5	32
Tomatoes	1.13 lb. tomatoes	Pound	29.1	---	---	10.8	18.3	37
Peaches, canned	1.99 lb. Calif. cling	No. 2-1/2 can	34.8	---	---	7.2	27.6	21
Orange juice, canned	5.38 lb. Fla. oranges for canning	46 ounce can	37.6	---	---	11.2	26.4	30
Corn, canned	2.49 lb. sweet corn	No. 303 can	18.0	---	---	2.4	15.6	13
Peas, canned .....	.69 lb. peas for canning	No. 303 can	21.5	---	---	3.1	18.4	14
Tomatoes, canned	1.84 lb. tomatoes for processing	No. 303 can	15.2	---	---	2.3	12.9	15
Beans with pork, canned .....	.35 lb. Mich. pea beans	16 ounce can	14.6	---	---	2.2	12.4	15
Orange juice concentrate, frozen	3.05 lb. Fla. oranges for frozen concentrated juice	6 ounce can	19.7	---	---	7.4	12.3	38
Strawberries, frozen .....	.51 lb. strawberries for processing	10 ounces	29.7	---	---	8.1	21.6	27
Beans, green, frozen .....	.79 lb. beans for processing	10 ounces	23.1	---	---	4.8	18.3	21
Peas, frozen .....	.70 lb. peas for freezing	10 ounces	21.0	---	---	3.2	17.8	15
Dried prunes .....	.97 lb. dried prunes	Pound	35.7	---	---	13.0	22.7	36
Navy beans	1.00 lb. Mich. pea beans	Pound	16.3	---	---	6.4	9.9	39
Margarine, colored	Soybeans, cottonseed, and milk	Pound	28.9	---	---	9.4	19.5	33
Peanut butter	1.77 lb. peanuts	Pound	53.6	---	---	20.5	33.1	38
Salad dressing	Cottonseed, soybeans, sugar, and eggs	Pint	35.3	---	---	8.2	27.1	23
Vegetable shortening	Soybeans and cottonseed	3 Pounds	95.4	---	---	33.9	61.5	36
Corn sirup	1.9 lb. corn	24 ounces	23.8	4.4	1.0	3.4	20.4	14
Sugar	37.37 lb. sugar beets	5 pounds	52.8	21.1	1.1	4/20.0	4/32.8	4/38

1/ Information concerning the sources of price data and calculation of net farm values, marketing margins, and the farmer's share are given in the Supplement to the July-Sept. 1953 issue of this Situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

2/ 9-month average.

3/ 10-month average.

4/ Net farm value adjusted for Government payments to producers was 24.2 cents, margin adjusted for Government processor tax was 30.1 cents, farmer's share of retail cost based on adjusted farm value was 46 percent.

Preliminary estimates.

Table 24.- Farm food products: Retail cost and farm value, October-December 1956, July-September 1956, October-December 1955 and 1947-49 average 1/

Product	Retail unit	Retail cost						Net farm value 2/					
		Oct.-		July-		Percentage change:		Oct.-		Percentage change:		Oct.-	
		Dec.		Sept.		Oct.-Dec. 1956		Dec.		Oct.-Dec. 1956		Oct.-	
		1956		1956		1947-49 average		1956		1956		1955	
		3/		3/		1956		3/		1956		1955	
		Dollars	Dollars	Dollars	Dollars	Percent	Percent	Dollars	Dollars	Dollars	Dollars	Percent	Percent
Market basket		987.13	4/995.73	966.11	954.76	- 1	+ 2	393.17	4/403.93	373.41	467.91	- 3	+ 5
Meat products		249.68	4/248.16	236.00	261.20	+ 1	+ 6	131.00	4/138.36	112.69	176.11	- 6	+ 16
Dairy products		189.96	4/186.63	184.09	168.37	+ 2	+ 3	88.75	4/ 85.92	85.55	90.88	+ 3	+ 4
Poultry and eggs	Average quantities purchased	96.70	4/ 99.56	107.47	116.87	- 3	- 10	57.78	60.73	69.29	80.53	- 5	- 17
Bakery and cereal products	per urban wage-earner and clerical-	152.54	4/151.58	149.99	121.94	+ 1	+ 2	31.69	4/ 30.25	29.86	33.16	+ 5	+ 6
All ingredients	family in 1952	121.56	4/132.96	114.64	103.57	- 9	+ 6	44.03	4/ 43.70	39.62	41.85	- 10	+ 11
Grain		62.31	4/ 70.97	58.16	53.14	- 12	+ 7	21.53	4/ 25.72	13.73	23.77	- 16	+ 15
All fruits and vegetables		212.26	4/224.06	204.62	195.26	- 6	+ 4	62.41	4/ 67.60	57.17	61.28	- 8	+ 9
Fresh fruits and vegetables		121.56	4/132.96	114.64	103.57	- 9	+ 6	44.03	4/ 43.70	39.62	41.85	- 10	+ 11
Fresh vegetables		62.31	4/ 70.97	58.16	53.14	- 12	+ 7	21.53	4/ 25.72	13.73	23.77	- 16	+ 15
Processed fruits and vegetables		90.70	4/ 91.09	89.98	91.69	5/	+ 1	18.38	4/ 18.89	17.55	19.43	- 3	+ 5
Fats and oils		44.17	4/ 44.07	42.50	52.25	5/	+ 4	14.69	4/ 13.58	12.17	18.92	+ 8	+ 21
Miscellaneous products		41.87	4/ 41.67	41.44	38.87	5/	+ 1	6.85	4/ 7.04	6.68	7.03	- 3	+ 3
		Cents	Cents	Cents	Cents	Percent	Percent	Cents	Cents	Cents	Cents	Percent	Percent
Beef (Choice grade)	Pound	70.9	68.5	66.1	68.5	+ 4	+ 7	43.3	4/45.5	38.3	48.5	- 5	+ 13
Pork (excluding lard)	Pound	48.9	49.4	46.1	52.8	- 1	+ 6	25.0	25.9	20.3	35.2	- 3	+ 23
Butter	Pound	74.1	4/72.1	71.1	79.4	+ 3	+ 4	48.6	47.2	46.2	57.4	+ 3	+ 5
Cheese, American processed	Pound	57.2	57.3	57.7	52.7	5/	- 1	28.7	4/28.4	28.2	32.0	+ 1	+ 2
Evaporated milk	14 1/2 ounce can	14.3	14.2	13.7	13.7	+ 1	+ 4	6.4	6.1	6.1	7.1	+ 5	+ 5
Fluid milk	Quart	24.0	23.5	23.1	19.9	+ 2	+ 4	11.1	10.7	10.7	10.6	+ 4	+ 4
Chickens, frying	Pound	44.0	4/47.2	48.4	---	- 7	- 9	22.8	26.0	27.2	---	- 12	- 16
Eggs	Dozen	57.3	4/57.2	64.2	66.7	5/	- 11	38.6	38.5	45.8	48.0	5/	- 16
Bread, white	Pound	18.3	18.1	17.8	13.5	+ 1	+ 3	2.7	2.5	2.6	2.6	+ 8	+ 4
Crackers, soda	Pound	27.9	27.7	27.0	---	+ 1	+ 3	4.1	3.9	4.0	---	+ 5	+ 2
Corn flakes	12 ounces	22.1	21.9	22.0	17.0	+ 1	5/	2.8	2.9	2.5	3.2	- 3	+ 12
Corn meal	Pound	12.6	12.6	12.6	11.8	0	0	2.9	3.1	2.6	3.6	- 6	+ 12
Flour, white	5 pounds	53.2	53.4	53.4	48.4	5/	5/	20.6	19.6	19.9	20.5	+ 5	+ 4
Rice	Pound	18.6	18.6	18.9	19.2	0	- 2	6.6	6.4	6.7	7.8	+ 3	- 1
Rolls oats	20 ounces	19.3	19.3	19.3	16.1	0	0	4.7	4.5	4.0	5.4	+ 4	+ 18
Apples	Pound	13.6	4/6/15.6	12.4	11.3	- 13	+ 10	6.3	6/ 5.6	5.5	5.2	+ 12	+ 15
Grapefruit	Each	12.9	---	10.6	8.7	---	+ 22	2.8	---	2.0	1.6	---	+ 40
Lemons	Pound	20.3	4/19.2	18.2	17.7	+ 6	+ 12	5.7	6.1	5.7	5.7	- 7	0
Oranges	Dozen	62.1	4/66.0	56.0	46.6	- 6	+ 11	13.8	21.6	16.0	12.6	- 13	+ 18
Beans, green	Pound	23.7	4/18.9	21.3	21.0	+ 25	+ 11	11.9	9.3	9.0	9.2	+ 28	+ 32
Cabbage	Pound	7.0	7.5	8.3	6.9	- 7	- 16	1.4	2.3	2.8	1.9	- 39	- 50
Carrots	Pound	13.8	13.9	15.7	11.1	- 1	- 12	3.7	4.2	5.2	4.2	- 12	- 29
Lettuce	Head	21.3	4/14.8	15.7	14.5	+ 44	+ 36	9.2	4.2	5.7	6.4	+119	+ 61
Onions	Pound	7.4	4/12.7	8.2	8.4	- 42	- 10	1.3	5.1	2.7	3.7	- 65	- 33
Potatoes	10 pounds	52.8	4/83.7	46.5	51.9	- 37	+ 14	15.3	31.9	13.1	25.7	- 52	+ 17
Sweetpotatoes	Pound	12.2	4/6/14.2	11.0	11.2	- 14	+ 11	4.4	6/ 4.2	3.6	4.7	+ 5	+ 22
Tomatoes	Pound	25.7	4/22.7	26.1	---	+ 13	- 2	10.2	8.6	7.8	---	+ 19	+ 31
Peaches, canned	No. 2-1/2 can	34.5	4/34.9	34.9	31.5	- 1	- 1	6.6	7.1	7.6	5.3	- 7	- 13
Orange juice, canned	46 ounce can	39.5	4/38.5	35.2	---	+ 3	+ 12	11.1	11.6	8.9	---	- 4	+ 25
Corn, canned	No. 303 can	17.3	18.2	17.5	16.7	- 2	+ 2	2.5	2.5	2.4	2.7	0	+ 4
Peas, canned	No. 303 can	21.4	4/21.4	21.6	21.4	0	- 1	3.2	3.2	3.1	3.0	0	+ 3
Tomatoes, canned	No. 303 can	15.2	4/15.1	15.2	14.3	+ 1	0	2.4	2.3	2.3	2.6	+ 4	+ 4
Beans with pork, canned	16 ounce can	14.5	14.6	14.9	---	- 1	- 3	2.1	2.2	2.4	---	- 5	- 12
Orange juice concentrate, frozen	6 ounce can	19.6	20.1	18.9	---	- 2	+ 4	7.8	7.8	5.8	---	0	+ 34
Strawberries, frozen	10 ounces	28.8	4/29.6	30.6	---	- 3	- 6	7.6	7.8	8.5	---	- 3	- 11
Beans, green, frozen	10 ounces	22.9	23.0	23.9	---	5/	- 4	5.1	4/ 4.9	4.6	---	+ 4	+ 11
Peas, frozen	10 ounces	20.4	21.4	21.4	---	- 5	- 5	3.3	3.2	3.1	---	+ 3	+ 6
Dried prunes	Pound	35.2	36.2	34.8	23.1	- 3	+ 1	11.6	13.5	12.0	8.8	- 14	- 3
Navy beans	Pound	16.2	16.2	17.4	19.9	0	- 7	6.1	6.4	7.0	9.7	- 5	- 13
Margarine, colored	Pound	29.2	4/29.2	28.7	39.7	0	+ 2	9.5	4/ 8.6	7.5	12.4	+ 10	+ 27
Peanut butter	Pound	53.6	53.6	55.2	---	0	- 3	19.8	20.6	20.9	---	- 4	- 5
Salad dressing	Pint	35.7	4/35.6	35.2	37.8	5/	+ 1	8.2	4/ 7.8	6.9	10.0	+ 5	+ 19
Vegetable shortening	3 Pounds	97.3	4/98.1	88.8	105.6	- 1	+ 10	34.3	4/31.0	26.9	46.2	+ 11	+ 28
Corn sirup	24 ounces	24.2	4/23.8	23.7	---	+ 2	+ 2	3.2	4/ 3.9	3.1	---	- 18	+ 3
Sugar	5 pounds	53.3	52.9	52.2	48.4	+ 1	+ 2	20.0	4/20.0	19.5	19.4	0	+ 3

1/ Information concerning the sources of price data and calculations of net farm values are given in the Supplement to the July-Sept. 1953 issue of this Situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

2/ Gross farm value adjusted to exclude imputed values of byproducts obtained in processing.

3/ Preliminary estimates.

4/ Revised.

5/ Less than 0.5 percent.

6/ 2-month average.

Table 25.- Farm food products: Marketing margin and farmer's share of the retail cost, October-December 1956, July-September 1956, October-December 1955, and 1947-49 average 1/

Product	Retail unit	Marketing margin 2/				Percentage change		Farmer's share			
		Oct.-Dec. 1956	July-Sept. 1956	Oct.-Dec. 1955	1947-49 average	Oct.-Dec. 1956 from -	Oct.-Dec. 1955	Oct.-Dec. 1956	July-Sept. 1956	Oct.-Dec. 1955	1947-49 average
		3/	3/	3/	3/	July-Sept. 1956	Oct.-Dec. 1955	3/	3/	3/	3/
		Dollars	Dollars	Dollars	Dollars	Percent	Percent	Percent	Percent	Percent	Percent
Market basket	()	594.01	4/591.75	592.70	486.85	5/	5/	40	41	39	49
Meat products	()	118.68	4/109.30	123.31	85.09	+ 9	- 4	52	56	48	67
Dairy products	()	101.21	4/100.71	98.54	77.49	5/	+ 3	47	46	46	54
Poultry and eggs	()	38.92	4/ 38.83	38.18	36.34	5/	+ 2	60	61	64	69
Bakery and cereal products	()	120.85	4/121.33	120.13	88.78	5/	+ 1	21	20	20	27
All ingredients	()	---	---	---	---	---	---	16	15	15	---
Grain	()	---	---	---	---	---	---	---	---	---	---
All fruits and vegetables	()	149.85	4/156.46	147.45	133.98	- 4	+ 2	29	30	28	31
Fresh fruits and vegetables	()	77.53	4/ 84.26	75.02	61.72	- 8	+ 3	36	4/37	35	40
Fresh vegetables	()	40.73	4/ 45.25	39.43	29.37	- 10	+ 3	35	36	32	45
Processed fruits and vegetables	()	72.32	4/ 72.20	72.43	72.26	5/	5/	20	21	20	21
Fats and oils	()	29.48	4/ 30.49	30.33	33.33	- 3	- 3	33	31	29	36
Miscellaneous products	()	35.02	4/ 34.63	34.76	31.34	+ 1	+ 1	16	17	16	18
		Cents	Cents	Cents	Cents	Percent	Percent	Percent	Percent	Percent	Percent
Beef (Choice grade)	Pound	27.6	4/23.0	27.8	20.0	+ 20	- 1	61	66	58	71
Pork (excluding lard)	Pound	23.9	23.5	25.8	17.6	+ 2	- 8	51	52	44	67
Butter	Pound	25.5	4/24.9	24.9	22.0	+ 2	+ 2	66	4/65	65	72
Cheese, American processed	Pound	23.5	4/28.9	29.5	20.7	- 1	- 3	50	50	49	61
Evaporated milk	1 1/2 ounce can	7.9	8.1	7.6	6.6	- 2	+ 4	45	43	45	52
Fluid milk	Quart	12.9	12.8	12.4	9.3	+ 1	+ 4	46	46	46	53
Chickens, frying	Pound	21.2	4/21.2	21.2	---	0	0	52	55	56	---
Eggs	Dozen	18.7	4/18.7	18.4	18.7	0	+ 2	67	67	71	72
Bread, white	Pound	15.6	15.6	15.2	10.9	0	+ 3	15	14	15	19
Crackers, soda	Pound	23.8	23.8	23.0	---	0	+ 3	15	14	15	---
Corn flakes	12 ounces	19.3	19.0	19.5	13.8	+ 2	- 1	13	13	11	19
Corn meal	Pound	9.7	9.5	10.0	8.2	+ 2	- 3	23	25	21	31
Flour, white	5 pounds	32.6	33.8	33.5	27.9	- 4	- 3	39	37	37	42
Rice	Pound	12.0	12.2	12.2	11.4	- 2	- 2	35	34	35	41
Rollod oats	20 ounces	14.6	14.8	15.3	10.7	- 1	- 5	24	23	21	34
Apples	Pound	7.3	4/6/10.0	6.9	6.1	- 27	+ 6	46	4/6/36	44	46
Grapefruit	Each	10.1	---	8.6	7.1	---	+ 17	22	---	19	18
Lemons	Pound	14.6	4/13.1	12.5	12.0	+ 11	+ 17	28	32	31	32
Oranges	Dozen	43.3	4/44.4	40.0	34.0	- 2	+ 8	30	33	29	27
Beans, green	Pound	11.8	4/ 9.6	9.0	11.8	+ 23	+ 31	50	49	42	44
Cabbage	Pound	5.6	5.2	5.5	5.0	+ 8	+ 2	20	31	34	28
Carrots	Bunch	10.1	9.7	10.5	6.9	+ 4	- 4	27	30	33	38
Lettuce	Head	12.1	4/10.6	10.0	8.1	+ 14	+ 21	43	28	36	44
Onions	Pound	5.6	4/ 7.6	5.5	4.7	- 26	+ 2	24	4/40	33	44
Potatoes	10 pounds	37.5	4/51.8	33.4	26.2	- 28	+ 12	29	4/38	28	50
Sweetpotatoes	Pound	7.8	4/6/10.0	7.4	6.5	- 22	+ 5	36	6/30	33	42
Tomatoes	Pound	15.5	4/14.1	18.3	---	+ 10	- 15	40	4/38	30	---
Peaches, canned	No. 2-1/2 can	27.9	4/27.8	27.3	26.2	5/	+ 2	19	20	22	17
Orange juice, canned	46 ounce can	28.4	4/26.9	26.3	---	+ 6	+ 8	28	30	25	---
Corn, canned	No. 303 can	15.3	15.7	15.1	14.0	- 3	+ 1	14	14	14	16
Peas, canned	No. 303 can	18.2	4/18.2	18.5	18.4	0	- 2	15	15	14	14
Tomatoes, canned	No. 303 can	12.8	4/12.8	12.9	11.7	0	- 1	16	15	15	18
Beans with pork, canned	16 ounce can	12.4	12.4	12.5	---	0	- 1	14	15	16	---
Orange juice concentrate, frozen	6 ounce can	11.8	12.3	13.1	---	- 4	- 10	40	39	31	---
Strawberries, frozen	10 ounces	21.2	4/21.8	22.1	---	- 3	- 4	26	26	28	---
Beans, green, frozen	10 ounces	17.8	4/18.1	19.3	---	- 2	- 8	22	4/21	19	---
Peas, frozen	10 ounces	17.1	18.2	18.3	---	- 6	- 7	16	15	14	---
Dried prunes	Pound	23.6	22.7	22.8	14.3	+ 4	+ 4	33	37	34	38
Navy beans	Pound	10.1	9.8	10.4	10.2	+ 3	- 3	38	40	40	49
Margarine, colored	Pound	19.7	20.6	21.2	27.3	- 4	- 7	33	29	26	31
Peanut butter	Pound	33.8	33.0	34.3	---	+ 2	- 1	37	38	38	---
Salad dressing	Pint	27.5	4/27.8	28.3	27.8	- 1	- 3	23	22	20	26
Vegetable shortening	3 Pounds	63.0	4/67.1	61.9	59.4	- 6	+ 2	35	4/32	30	44
Corn sirup	24 ounces	21.0	19.9	20.6	---	+ 6	+ 2	13	16	13	---
Sugar	5 pounds	33.3	4/32.9	32.7	29.0	+ 1	+ 2	38	4/38	37	40

1/ Information concerning the calculation of the marketing margin and farmer's share are given in the Supplement to the July-Sept. 1953 issue of this Situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

2/ The marketing margin is the difference between the retail cost and the net farm value, table 24.

3/ Preliminary estimates.

4/ Revised.

5/ Less than 0.5 percent.

6/ 2-month average.

Table 26.- Farm food products: Retail cost, farm value of equivalent quantities sold by producers, byproduct allowance, marketing margin, and farmer's share of retail cost, October-December 1956 1/

Product	Farm equivalent	Retail unit	Retail cost	Gross farm value	Byproduct allowance	Net farm value	Margin	Farmer's share
			Dollars	Dollars	Dollars	Dollars	Dollars	Percent
Market basket			987.18	---	---	393.17	594.01	40
Meat products			249.68	---	---	131.00	118.68	52
Dairy products			189.96	---	---	83.75	101.21	47
Poultry and eggs		Average quantities purchased per urban wage-earner and clerical-family in 1952	96.70	---	---	57.78	38.92	60
Bakery and cereal products	Farm produce equivalent to products bought by urban families		152.54	---	---	31.69	120.85	21
All ingredients			---	28.19	3.97	24.22	---	16
Grain			212.26	---	---	62.41	149.85	29
All fruits and vegetables			121.56	---	---	44.03	77.53	36
Fresh fruits and vegetables			62.31	---	---	21.53	40.78	35
Fresh vegetables								
Processed fruits and vegetables			90.70	---	---	18.38	72.32	20
Fats and oils			44.17	---	---	14.69	29.48	33
Miscellaneous products			41.87	---	---	6.85	35.02	16
			Cents	Cents	Cents	Cents	Cents	Percent
Beef (Choice grade)	2.16 lb. Choice grade cattle	Pound	70.9	47.0	3.7	43.3	27.6	61
Pork (excluding lard)	1.82 lb. hogs	Pound	48.9	27.8	2.8	25.0	23.9	51
Butter	Cream and whole milk	Pound	74.1	---	---	48.6	25.5	66
Cheese, American processed	Milk for American cheese	Pound	57.2	---	---	28.7	28.5	50
Evaporated milk	Milk for evaporating	1 1/2 ounce can	14.3	---	---	6.4	7.9	45
Fluid milk	Wholesale fluid milk	Quart	24.0	---	---	11.1	12.9	46
Chickens, frying	Commercial broilers	Pound	44.0	---	---	22.8	21.2	52
Eggs	1.03 doz.	Dozen	57.3	---	---	38.6	18.7	67
Bread, white .....	.912 lb. wheat	Pound	18.3	3.1	.4	2.7	15.6	15
Crackers, soda	1.41 lb. wheat	Pound	27.9	4.8	.7	4.1	23.8	15
Corn flakes	1.57 lb. white corn	12 ounces	22.1	3.9	1.1	2.8	19.3	13
Corn meal	1.34 lb. white corn	Pound	12.6	3.3	.4	2.9	9.7	23
Flour, white	7.04 lb. wheat	5 pounds	53.2	23.9	3.3	20.6	32.6	39
Rice	1.68 lb. rough rice	Pound	18.6	7.7	1.1	6.6	12.0	35
Rollled oats	2.56 lb. oats	20 ounces	19.3	5.8	1.1	4.7	14.6	24
Apples	1.08 lb. apples	Pound	13.6	---	---	6.3	7.3	46
Grapefruit	1.04 grapefruit	Each	12.9	---	---	2.8	10.1	22
Lemons	1.04 lb. lemons	Pound	20.3	---	---	5.7	14.6	28
Oranges	1.04 doz. oranges	Dozen	62.1	---	---	18.8	43.3	30
Beans, green	1.09 lb. snap beans	Pound	23.7	---	---	11.9	11.8	50
Cabbage	1.10 lb. cabbage	Pound	7.0	---	---	1.4	5.6	20
Carrots	1.11 lb. carrots	Bunch	13.8	---	---	3.7	10.1	27
Lettuce	1.30 lb. lettuce	Head	21.3	---	---	9.2	12.1	43
Onions	1.06 lb. onions	Pound	7.4	---	---	1.8	5.6	24
Potatoes	10.42 lb. potatoes	10 pounds	52.8	---	---	15.3	37.5	29
Sweetpotatoes	1.12 lb. sweetpotatoes	Pound	12.2	---	---	4.4	7.8	36
Tomatoes	1.18 lb. tomatoes	Pound	25.7	---	---	10.2	15.5	40
Peaches, canned	1.39 lb. Calif. cling	No. 2-1/2 can	34.5	---	---	6.6	27.9	19
Orange juice, canned	5.83 lb. Fla. oranges for canning	46 ounce can	39.5	---	---	11.1	28.4	28
Corn, canned	2.49 lb. sweet corn	No. 303 can	17.8	---	---	2.5	15.3	14
Peas, canned .....	.69 lb. peas for canning	No. 303 can	21.4	---	---	3.2	18.2	15
Tomatoes, canned	1.84 lb. tomatoes for processing	No. 303 can	15.2	---	---	2.4	12.8	16
Beans with pork, canned .....	.35 lb. Mich. pea beans	16 ounce can	14.5	---	---	2.1	12.4	14
Orange juice concentrate, frozen	3.05 lb. Fla. oranges for frozen concentrated juice	6 ounce can	19.6	---	---	7.8	11.8	40
Strawberries, frozen .....	.51 lb. strawberries for processing	10 ounces	28.8	---	---	7.6	21.2	26
Beans, green, frozen .....	.79 lb. beans for processing	10 ounces	22.9	---	---	5.1	17.8	22
Peas, frozen .....	.70 lb. peas for freezing	10 ounces	20.4	---	---	3.3	17.1	16
Dried prunes .....	.97 lb. dried prunes	Pound	35.2	---	---	11.6	23.6	33
Navy beans	1.00 lb. Mich. pea beans	Pound	16.2	---	---	6.1	10.1	38
Margarine, colored	Soybeans, cottonseed, and milk	Pound	29.2	---	---	9.5	19.7	33
Peanut butter	1.77 lb. peanuts	Pound	53.6	---	---	19.8	33.8	37
Salad dressing	Cottonseed, soybeans, sugar, and eggs	Pint	35.7	---	---	8.2	27.5	23
Vegetable shortening	Soybeans and cottonseed	3 Pounds	97.3	---	---	34.3	63.0	35
Corn sirup	1.9 lb. corn	24 ounces	24.2	4.1	.9	3.2	21.0	13
Sugar	36.61 lb. sugar beets	5 pounds	53.3	21.0	1.0	2/20.0	2/33.3	2/38

1/ Information concerning the sources of price data and calculation of net farm values, marketing margins, and the farmer's share are given in the Supplement to the July-Sept. 1953 issue of this Situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

2/ Net farm value adjusted for Government payments to producers was 24.2 cents, margin adjusted for Government processor tax was 30.6 cents, farmer's share of retail cost based on adjusted farm value was 45 percent.

Preliminary estimates.

Table 27.- The farm food market basket: Revised quarterly data for 1955

Item and period	Retail cost	Gross farm value	Net farm value	Margin	Farmer's share
	Dollars	Dollars	Dollars	Dollars	Percent
Market basket					
Jan.-Mar.	---	---	410.24	563.54	---
Apr.-June	977.94	---	404.47	573.47	41
July-Sept.	---	---	393.95	587.98	---
Oct.-Dec.	---	---	373.41	592.70	---
Meat products					
Jan.-Mar.	---	---	143.78	106.03	---
Apr.-June	248.16	---	139.14	109.02	---
July-Sept.	---	---	133.30	118.40	---
Oct.-Dec.	---	---	112.69	123.31	---
Dairy products					
Jan.-Mar.	---	---	83.34	98.20	---
Apr.-June	---	---	80.40	98.14	---
July-Sept.	---	---	82.69	98.17	---
Oct.-Dec.	---	---	85.55	98.54	---
Poultry and eggs					
Jan.-Mar.	---	---	68.35	33.73	---
July-Sept.	---	---	70.66	37.70	---
Bakery and cereal products					
All ingredients					
Jan.-Mar.	---	---	32.45	117.46	---
Apr.-June	---	---	31.85	118.19	---
July-Sept.	---	---	29.69	120.39	---
Oct.-Dec.	---	---	29.86	120.13	---
Grain					
Jan.-Mar.	---	---	25.22	---	---
Apr.-June	---	---	24.69	---	---
All fruits and vegetables					
Jan.-Mar.	205.78	---	61.84	143.94	---
Apr.-June	---	---	65.39	150.06	30
July-Sept.	---	---	58.39	148.47	---
Oct.-Dec.	---	---	57.17	147.45	---
Fresh fruits and vegetables					
Jan.-Mar.	---	---	44.45	73.08	38
Apr.-June	---	---	47.93	78.99	38
July-Sept.	---	---	40.18	77.62	---
Oct.-Dec.	---	---	39.62	75.02	---
Fresh vegetables					
Jan.-Mar.	---	---	23.96	40.35	---
Apr.-June	---	---	25.52	44.23	37
July-Sept.	---	---	19.17	38.69	---
Oct.-Dec.	---	---	18.73	39.43	32
Processed fruits and vegetables					
Apr.-June	---	---	17.46	71.06	---
Fats and oils					
Jan.-Mar.	---	---	13.50	29.83	---
Apr.-June	---	---	13.50	29.27	---
July-Sept.	---	---	12.40	30.42	---
Miscellaneous products					
Apr.-June	---	---	6.97	34.38	---
July-Sept.	---	---	6.83	34.42	---
Oct.-Dec.	---	---	6.68	34.76	---
	Cents	Cents	Cents	Cents	Percent
Beef (Choice grade)					
Jan.-Mar.	---	51.0	47.3	22.4	---
Apr.-June	---	45.9	42.3	25.5	---
July-Sept.	---	44.7	41.0	26.2	---
Oct.-Dec.	---	41.9	38.3	27.8	---
Pork (excluding lard)					
Jan.-Mar.	---	29.5	26.6	22.9	---
Apr.-June	49.7	30.7	27.9	21.8	56
July-Sept.	---	29.0	26.5	24.9	---

Continued -

Table 27.- The farm food market basket: Revised quarterly data for 1955 - Continued

Item and period	Retail cost	Gross farm value	Net farm value	Margin	Farmer's share
	Cents	Cents	Cents	Cents	Percent
Butter					
Jan.-Mar.	---	---	46.3	25.0	---
Apr.-June	---	---	45.5	25.0	---
Cheese, American processed					
Jan.-Mar.	---	---	28.0	29.5	---
Apr.-June	---	---	27.1	30.6	---
July-Sept.	---	---	27.3	30.5	---
Oct.-Dec.	---	---	28.2	29.5	---
Rice					
Jan.-Mar.	---	7.6	6.5	12.6	---
Grapefruit					
Apr.-June	---	---	1.8	9.1	17
Lemons					
Jan.-Mar.	---	---	5.1	13.3	---
Apr.-June	---	---	4.9	13.0	27
July-Sept.	---	---	4.8	12.8	27
Oct.-Dec.	---	---	5.7	12.5	31
Oranges					
Jan.-Mar.	---	---	14.3	31.8	31
Apr.-June	---	---	17.4	34.3	34
July-Sept.	---	---	18.7	38.8	33
Oct.-Dec.	---	---	16.0	40.0	29
Beans, green					
Apr.-June	---	---	8.6	14.0	38
Lettuce					
Oct.-Dec.	---	---	5.7	10.0	36
Potatoes					
Jan.-Mar.	---	---	20.3	33.4	---
Apr.-June	---	---	30.5	43.9	41
July-Sept.	---	---	13.9	37.1	---
Oct.-Dec.	---	---	13.1	33.4	28
Sweetpotatoes					
July-Sept.	---	---	3.6	9.6	27
Oct.-Dec.	---	---	3.6	7.4	33
Tomatoes					
Oct.-Dec.	---	---	7.8	18.3	30
Peas, canned					
July-Sept.	---	---	3.1	18.4	14
Tomatoes, canned					
July-Sept.	---	---	2.3	12.9	15
Strawberries, frozen					
July-Sept.	---	---	8.3	22.2	27
Dried prunes					
Oct.-Dec.	---	---	12.0	22.8	34
Sugar ¹ / ₁					
Oct.-Dec.	---	20.5	19.5	32.7	---

¹/ Revised net farm value adjusted for Government payments to producers, Jan-Mar. 23.0, Apr.-June 23.0, July-Sept. 23.0, Oct.-Dec. 23.6; margin adjusted for Government processor tax, Jan.-Mar. 30.7, Apr.-June 30.5, July-Sept. 30.3, Oct.-Dec. 30.0; farmer's share of retail cost based on adjusted farm value, Jan.-Mar. 44 pct., Apr.-June 44 pct., July-Sept. 44 pct., and Oct.-Dec. 45 pct.

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